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VIDELA FAVORS CIVILIAN-MILITARY 'CONCURRENCE'

PY101810Y Paris AFP in Spanish 1341 GMT 10 Mar 78 PY

[Text] Buenos Aires, 10 Mar--It was reported here today that Argentine President Gen Jorge Rafael Videla has delivered a political plan to the navy and the air force proposing a civilian-military concurrence [convergencia]. The plan was prepared by the army.

The document, which summarized the position of the army, headed by General Videla, sets the basis for obtaining a civilian-military understanding as a political outlet of the present regime. The timetable to achieve this objective has not been set.

The secrecy surrounding the text of the document did not prevent the military sources from stressing that the document did not fix a date for restoring the political process.

The text of the political plan--after an agreement is reached among the army, navy and air force--will be released to the public by President Videla in a speech scheduled for the end of March.

MASSERA DISCUSSES FUTURE TRANSFER OF POWER

PY101526Y Paris AFP in Spanish 0500 GMT 10 Mar 78 PY

[Text] Pergamino, Argentina, 9 Mar--Navy Commander Adm Emilio Massera stated here today that the final details for the election of the future president are being prepared.

The designation of the "fourth man" would put an end to this period of exception, during which the three commanders of the armed forces held power after the 24 March 1976 military movement ousted the constitutional government of Maria Estela Martinez de Peron.

Asked about the future elections in Argentina, Massera answered that "this period has objectives, not deadlines," and said that they were promoting the unity of all Argentines to achieve "a representative democracy which respects the natural diversity of opinion."

Massera added: "When we succeed in making the republic dynamic so that all together we may achieve an attractive, creative, intelligent and free nation, we will have built, in a natural way, a new model of a country."

Referring to his retirement, which was implicitly mentioned in his speech at the ceremony to pay homage to Adm Guillermo Brown at the beginning of the month, he said that he will retire, and added: "I have not said when."

Speaking about negotiations with Chile regarding southern border limits, he stated: "The military junta had rejected the arbiter's decision on the Beagle Channel because it absolutely lacks validity."

Massera added that "if by paying honor to the signatures of the 1893 protocols the Chilean Government gives up its expansionist policy and consequently its claim for an outlet to the Atlantic, I feel that we may reach bilateral agreements which may definitely set the limits between the two countries in the Beagle Channel zone."

AIR FORCE BACKS DIALOG ON BORDER DISPUTES

PY110226Y Buenos Aires TELAM in Spanish 0050 GMT 11 Mar 78 PY

[Text of communique issued in Buenos Aires at conclusion of a meeting of active-duty air force generals]

[Text] Today, 10 March 1978, a meeting of brigadier generals was held in the Condor Building as scheduled. The meeting was presided over by the commander in chief of the air force, and active-duty brigadier generals stationed within the country participated. Issues concerning the present national situation and the air force were discussed.

Among subjects concerning the national panorama in foreign affairs, the issues of the southern border dispute and Corpus-Itaipu were emphasized. The position of the air force with respect to this is to exhaust all possibilities for constructive dialog to achieve harmonious solution of the disputes, while preserving national integrity and the principles of sovereignty, which under no circumstances can allow any kind of negotiation. [as received]

With respect to domestic affairs, special attention was given to the political guidelines for the national reorganization plan which will later be coordinated by the appropriate branches of the armed forces to draw up a political document which the military junta--the state's supreme organ--will present to the nation. The progress of the national reorganization plan--particularly in the areas of economy and the interior--was also discussed in general terms. The remaining areas of interest will be discussed during a subsequent meeting to be held within the next 15 days.

The object of this analysis is to produce a secret document which will be submitted for the consideration of the military junta by the commander in chief. It will summarize the opinion of the air force with regard to the progress of the national reorganization plan in accordance with its legal responsibility to supervise fulfillment of the basic objectives and its concurrent policies throughout the plan's development.

With respect to institutional matters, the subjects of the 1978 budget and the programming of activities for the personnel, material, operations and aeronautical interests departments were discussed. It was emphasized that the maintenance of the high degree of training and operational capacity reached by the air combat units and support of the air force will continue to be priority goals.

BRIEFS

GAS PURCHASE APPROVED--Buenos Aires, 9 Mar--The agreement for the purchase of Chilean natural gas signed in Buenos Aires in May 1977 between the Argentine state gas enterprise and Chile's national petroleum enterprise has been approved in full. [Buenos Aires TELAM in Spanish 1201 GMT 9 Mar 78 PY]

PEREDA, GOVERNMENT ADDRESS PROBLEM OF U.S. TIN SALES

PY111838Y La Paz Radio Panamericana in Spanish 1130 GMT 11 Mar 78 PY

[Text] On behalf of the People's Nationalist Union [UNP], Gen Juan Pereda Asbun has stated that the U.S. plan to sell 45,000 tons of tin from its permanent reserves is actually an attack against the rights of the countries producing raw materials. This plan discredits the sincerity with which President Carter's administration proclaims democracy and defense of human rights. This is said in a UNP communique signed by Pereda Asbun.

The document added: The sale of 45,000 tons of tin will inevitably affect the international tin price, if it is carried out, and will seriously harm the producer countries, which are also less developed countries.

It stated further: Tin is the main basis of the Bolivian economy. Therefore, any international action affecting the price of the mineral will put an obstacle in the way of its development process.

In another paragraph, the document added that human rights are closely linked with the rights of peoples to progress and prosperity. Pereda added: The actions of the great powers which deepen the breach separating the rich nations from the poor are therefore a way of blocking the full development of mankind living in the dependent countries.

On behalf of the UNP, General Pereda asked the armed forces government to take joint action with other countries producing raw materials to prevent the sale of U.S. tin reserves. Finally, he declared a general mobilization of the political parties and popular movements which make up the UNP to realize a great national campaign in defense of raw material prices.

President Hugo Banzer Suarez and his ministers have voiced their concern over the U.S. plan to sell 45,000 tons of tin from its strategic reserves. The ministers of the armed forces government said this would be serious for our economy.

During yesterday's cabinet meeting, the ministers criticized the announcement and the fact that the Bolivian Government had not been publicly consulted regarding the project. Government officials said that the United States intends to put 45,000 tons of tin at the disposal of the world market, but since it is a member of the International Tin Council all the member countries of that international organization should have been told about that intention.

Mining and Metallurgy Minister Ernesto Camacho Hurtado said regarding this matter that the Bolivian Tin Council [CIEBOL] will study the U.S. plan as of Monday.

The newsmen accredited at Government Palace asked the mining minister if the United States had consulted Bolivian officials about the sale of those 45,000 tons of tin. He replied:

[begin Camacho recording] No, we knew about the matter only yesterday at a U.S. Embassy press conference. Yesterday I received a telegram from Ambassador Miranda in London [words indistinct].

[Question] How long will it take before there are direct repercussions on the tin price?

[Answer] That will happen when the tin is dumped on the market. [end recording]

Whereas the president himself, officials and workers state that there will be serious results for the country from the U.S. tin sale, Minister Camacho Hurtado said that the event was not so alarming:

[begin Camacho recording] The problem is not so alarming, because there are other aspects which we have not studied yet. CIEBOL is a responsible organization, made up of people who know the problem, and they will seriously analyze [passage indistinct] [end recording]

PEREDA NOTES POLITICAL DIFFERENCES WITH SILES ZUAZO

PY100140Y La Paz PRESENCIA in Spanish 8 Mar 78 p 4 PY

[Excerpts] Potosi, 7 Mar--"An enormous ideological difference separates former President Hernan Siles Zuazo and me," according to a statement made by Gen Juan Pereda Asbun during a visit he made to this capital last week, during which he was proclaimed presidential candidate by the People's Nationalist Union.

During a press conference, the military candidate answered a question by saying that "we practice pure nationalism at the service of the nation, while Siles Zuazo, during his exile, established contacts with the international leftist movement in other countries."

"The National Revolutionary Movement of the Left [MNRI]," he added, "has connections with other countries and international groups. In the end, the Bolivian people will be the ones to judge the former president's past. He could have done great works to benefit the nation, but he didn't."

In response to another question, Pereda Asbun said in a very calm voice that "it is very common in Bolivia that when someone leaves a post he becomes an enemy and resentful." "It is unfortunate to have to say, but that is what happened with the military members of the so-called 'Topater' group, whose representatives have been ministers and diplomats who have held high-ranking posts in the nation's leadership."

The journalist who asked this question also asked about the position of Gen Rene Bernal Escalante, the former defense minister who may be running for the presidency, but General Pereda Asbun declined to answer the question.

With regard to freedom of expression, he stated that during his 4 years as interior minister he held fruitful meetings with the Bolivian Radio Broadcasting Association and the National Press Association, which had positive results in several areas. "No journalist was detained during my term as interior minister, and therefore, I am respectful of freedom of the press," he stated.

GEISEL RETURNS TO BRASILIA FROM FRG VISIT

PY110209Y Paris AFP in Spanish 0120 GMT 11 Mar 78 PY

[Text] Brasilia, 10 Mar--Brazilian President Ernesto Geisel returned to Brasilia tonight after a 5-day official visit to the FRG.

FIGUEIREDO'S BROTHER CRITICIZES CLERGY

PY102150Y Sao Paulo O ESTADO DE SAO PAULO in Portuguese 9 Mar 78 p 1 PY

[Excerpt] Yesterday, while receiving the title of Honorary Citizen of Iguarape-Acu, Para, Gen Euclides Figueiredo Jr, commander of the 8th Military Region and brother of Joao Baptista Figueiredo, made charges against some members of the church (without citing names). He said "they want to turn the means of production into community property--the socialist panacea or socialization, as they call it--and they act deceitfully, slowly increasing public awareness and sublimely injecting their venom in small doses. They do this through religious courses, grassroots meetings, masses, sermons, informal chats, bulletins, parishes, and even through hymns. They conduct a real brainwashing campaign using the Gospel and the image of Christ as a camouflage and the cassock as their emblem."

Church Leaders Object

PY110330Y Paris AFP in Spanish 1622 GMT 10 Mar 78 PY

[Excerpts] Porto Alegre, Brazil, 10 Mar--Brazilian clergymen here today categorically denied accusations by Gen Euclides Figueiredo Jr, who stated that some members of the church "instigate the class struggle and subversion."

Cardinal Vicente Sherer, archbishop of Porto Alegre, the capital of the southern state of Rio Grande do Sul, stated that "General Figueiredo has no reason to say what he did. Such serious accusations cannot be so idly made, the way he did." The Secretary General of the National Conference of Brazilian Bishops, Monsignor Ivo Lorscheider, said that the "church should be allowed to ask the general for a retraction of what he said, or for undeniable proof of his accusations." Cardinal Sherer said the accusations were unjust, and that "the public is tired of anachronistic words always repeated by those who insist on creating confusion in the name of some antiquated anticommunism and with complete ignorance of the true mission of the church and present Catholic movements."

MORE GROUPS CALL FOR END TO POLICE VIOLENCE

PY111644Y Buenos Aires LATIN in Spanish 1717 GMT 10 Mar 78 PY

[Text] Brasilia, 10 Mar--Opposition Senator Franco Montoro has requested the reorganization and functioning of the Council for the Defense of Human Rights as a means for restraining the growing and supposedly institutionalized police violence in the country. The demand by the former leader of the Brazilian Democratic Movement bloc in the Senate is based on a firm statement from 28 Sao Paulo organizations condemning police violence against detained people.

The Human Rights Commission of the Sao Paulo Archdiocese also issued a communique in support of the victims of arbitrariness, indicating that "violent repression is being perpetrated on the people on the grounds of the need to maintain order and security.

The Brazilian Bar Association [OAB], Rio de Janeiro branch, yesterday released a report from one of its members who maintains that "nobody doubts that there are police groups in charge of repressing common and political crimes, which systematically violate the law by torturing the people they are questioning."

Condemnation of police violence began when a photographer for Folha de Sao Paulo was brutally beaten at a police station in a small town in Sao Paulo state.

In a document submitted to Sao Paulo Governor Paulo Egydio, 28 Sao Paulo organizations alleged that there is an institutionalized system of police violence and they listed 38 cases of people who were victims of this type of arbitrariness in a period of only 12 months. The allegation reached the National Congress, where Montoro said that the "brutal" blows which photographer Milton Soares suffered "proves tnat the growing violence is already reaching agencies of the public administration itself." Montoro warned: "The Senate cannot remain indifferent to this growing violence and violation of human rights which worries the people." He also condemned "the indifference of officials" and demanded "urgent" measures to clarify the charges and punish those responsible for them.

The Human Rights Commission of the Sao Paulo Archdiocese stated that the increased crimes are due mainly to "the growing and generalized debasement of the situation of the people, who are subjected to continued and unscrupulous plunder by the most powerful." The statement added: "This situation is not solved by resorting to violence, highhandedness, torture or killing, nor can it be disguised by meting out infrequent and isolated punishment, usually against subordinates."

The archdiocese's document indicated that the population looks with "horror" on distorting the concept of authority and "sees that promotions, medals and honors are given to officials committed to violence and unacceptable methods."

Lawyer Paulo Goldrajch, on a request by the OAB, made a study on the possible existence and operation of the notorious "death squad" in Rio de Janeiro. This matter has been widely debated in tne last few years and it was tnought tnat this organization of policemen had already disappeared after leaving behind an incalculable number of deeds. But the discovery of hundreds of bodies with multiple bullet wounds in Baixada Fluminense in Rio de Janeiro revived the suspicion of the continued existence of the death squad.

After the investigations Goldrajch concluded that there exist police groups in charge of suppressing political and common crimes. As Montoro had done, Goldrajch asked that the Council for the Defense of Human Rights be put back into operation with greater efficiency in order to carry out more effective work.

OFFICER DETAINED FOR CRITICIZING GOVERNMENT

PY100335Y Rio de Janeiro JOURNAL DO BRASIL in Portuguese 9 Mar 78 p 9 PY

[Excerpts] Ponta Grossa--Lt Col Tarcisio Nunes Ferreira, commander of the 13th Armored Infantry Battalion headquartered in this city [Parana State] has been under house arrest since 1800 yesterday. He is enduring this punishment--which will be lifted at 1800 on Friday--because of a lecture he gave on Saturday proposing tne restoration of the rule of law.

Colonel Nunes gave a 24-minute lecture at the third district meeting of the Lions Club, chaired by Ivo Arzua--a former minister under the Costa e Silva administration and a signatory of AI-5--last Saturday at the Medical Association of Ponta Grossa. Speaking to 200 "Lions," Nunes criticized Geisel's concept of relative democracy and noted that the solution for this institutional-political impasse is a broad democratic opening.

As of yesterday, he was receiving telephone calls from officers of the various military regions of the country expressing their solidarity. [as published]

SOVIET OIL CONTRACT RENEWED AT LOWER VOLUME

PY100228Y Rio de Janeiro JORNAL DO BRASIL in Portuguese 9 Mar 78 p 25 PY

[Text] Brasilia--The Brazilian Petroleum Corporation [PETROBRAS] has concluded a contract with the Soviet Union to import this year 80 percent of the crude oil it purchased last year from the same Soviet sources. This contract has virtually fully renewed a 3-year contract which expired in 1977. It covers the purchase of approximately 30,000 barrels of petroleum daily at current international prices, that is, $13 per barrel (CIF). The Foreign Trade Department (CACEX) has reported that Brazil imported $5.8 million worth of crude oil from the Soviet Union in 1977. According to Industry and Commerce Ministry experts, the major cause for the reduction in the volume negotiated by PETROBRAS and the Soviet state enterprise for this year must have been the quality of the oil.

INTERIM MDB LEADERS SWORN IN BECAUSE OF DEADLOCK

PY091348Y Sao Paulo Cadeia Verde Amarela in Portuguese 1000 GMT 9 Mar 78 PY

[Excerpt] Senator Itamar Franco of Minas Gerais was sworn in yesterday as the acting MDB leader in the Senate, because the MDB bloc continues to be equally divided in votes between Senators Brossard and Montorol. Because the deadlock continues, the fourth meeting to elect an MDB bloc leader, scheduled for yesterday, did not take place. The MDB bloc will officially meet again only when the new leader is elected.

NEW MDB LEADER NEVES ADDRESSES CHAMBER OF DEPUTIES

PY111343Y Rio de Janeiro O GLOBO in Portuguese 9 Mar 78 p 6 PY

[Text of speech by Deputy Tancredo Neves, MDB leader in the Chamber of Deputies, in Brasilia on 9 March]

[Excerpts] Mr President, Deputies: I am assuming today the MDB [Brazilian Democratic Movement] leadership in this house of Congress thanks to the generous confidence bestowed upon me by my illustrious MDB colleagues.

We express our disagreements with the revolutionary government leaders frankly, loyally and forcefully, whenever they use arbitrariness as their only instrument of action, whenever they use force to settle conflicts in people's lives, whenever they suppress freedom and whenever they distort and undermine the law. The people have been unsuccessfully demanding the restoration of the state of law, which has not been in force for virtually 15 years in Brazil. This shows that those who are ruling the country have a mentality which is grossly inconsistent with the unwavering law-abiding nature of our people. There can be no justification or explanation for such a long exceptional period which has created a long, profound gap between the state and the people, the government and society, and authority and freedom.

By regarding national security as the fundamental purpose for their existence, revolutionary governments have in fact generated insecurity, disquiet and fear, which are fertile grounds for police brutality, unrestrained corruption, predatory profits of multinational companies, vicious concentration of income and censorship on cultural activities.

The government should not delay the elimination of arbitrary measures any longer. It should immediately replace authoritarianism with law. This is the national outcry of a people who are starving for justice and who are anxious to obtain freedom.

In the name of the people, the opposition appeals to the government to overcome the institutional impasse which is oppressing the nation, which is intimidating it and discrediting it before the civilized world. The MDB offers to help the government in this historic commitment with patriotism, with dedication to the cause of the people, with fighting spirit and with its call for harmony. The establishment of a state of law cannot and must not be the exclusive responsibility of a government or of a party, no matter how lofty their intention may be. To be solid and far reaching, the state of law must be built through the effort of every sector of society, through the participation of every trend of our people's political thinking.

If the government and its party believe that because they now have constituent powers, a prerogative which was bestowed upon them by the notorious "April package" which established that the "quorum" for passing institutional amendments is that of absolute majority, that they can exclude the opposition from the adoption of new institutions for the country, they are completely wrong. Without MDB participation, we will not have true reforms but fake reforms, which will not be accepted by the nation, which will reject them because they lack legitimacy. Reforms can only acquire legitimacy through debate, when the people are aware of them and approve them.

We sincerely believe that the government will keep its commitment to democratize the country to the extent demanded by the nation. This democratization must be broad enough to meet national expectations and should not be petty because it would thus frustrate popular desires, creating skepticism in men of good faith and leading the foolish ones to revolt.

But if instead of a true, democratic, clearly outlined reform, it appears to be without substance, poor in democratic spirit or with poor and meaningless concepts, we will have no alternative other than to state to the nation that it is inadequate for the time in which we are living, that it is unacceptable for Brazil's needs and that it is intolerable for the unshakable faith of our people in the future of a free fatherland of free men. There can be no democracy without voting. Therefore, we reject every farce and deception which has been utilized in recent years to prevent the people from choosing and building their destiny. The grotesque, tragically comic figure of "bionic" senators--who will not represent anyone in the Senate of the Republic, neither the people, nor the states, much less the nation, but only those in power at the time, who are themselves short lived for an 8-year term--will be an object of contempt, if not of an unmentionable abuse of power.

The Falcao law has silenced Brazilian democracy. It has prevented the opposition from contacting the people, from holding an ample debate with the ruling party before the nation. It has banned the opposition from disseminating its program, from reporting to the people on its activities and from promoting its right of recruiting members and supporters. In other legal systems, there can be no similar law whereby the freedom of speech, which is a basic right in every democracy, is so drastically suppressed.

In spite of all this opposition, we are getting ready for the November elections without doubts and without getting discouraged, trusting the people, about whose capacity to judge correctly we have no doubts. We will obey the results of the elections and we expect the government to do the same after providing full guarantees to allow each citizen to vote freely and avoid biased attitudes, economic pressures and the use of biased propaganda from the officials through communications media. In sum, we urge the government to take advantage of its extraordinary powers to provide us with an atmosphere of freedom and security so that the coming elections, the only ones the people have access to, can be clean and honest, fully reflecting the sovereign will of the citizens of our nation. We have no reason to fear the people. We are going to meet them with our heads high and with a clear conscience. We have never cheated them nor have we usurped their rights. We have never lied to them to withhold their salaries. We are not responsible for the exorbitant rise in prices and we did not help to worsen their anguish, unease and sorrow.

Institutional chaos disrupts the economy and undermines social justice. The opposition feels that it is its duty to express concern over the constant presence of two evils: acute and persistent inflation and the somber prospects of economic recession with the resulting decline of employment throughout the country. Fairly enough, we want to control the atom, but at the same time we cannot handle the marketing [corecializacao, presumably comercializacao] of essential products, to the chagrin of our housewives. Let it not be said that the anti-inflationary struggle and income distribution are incompatible. That is not true. What we need is an urgent review of the priorities and prevailing values of the current policy. The time has come to grant priority treatment to investments capable of producing "indirect salaries," salaries which do not generate inflation. That is to say, the time has come to use part of the surplus stemming from the increase in productivity of goods and services for the benefit of the majority of the people. In this manner we will improve income distribution without increasing inflationary pressure.

Mr President, Messrs Deputies, the MDB will never give up its efforts in favor of a national constituent assembly. We have been and still are firmly convinced that the announced constitutional reforms, whether broad or partial, will remain being nothing but artificial additions to the hopeless text of an imposed constitution.

And finally, my dear colleagues, the time has come to protest, 15 years after the victory of the revolution, the unfair division of Brazilians in two irreconciliable sectors: the proud, haughty, inflexible victors and the humiliated, banned and neglected losers. This deplorable situation is hardly in line with the religious and moral background of our people who despise and reject intolerance and dislike discrimination. We must attain national reconciliation in the name of justice, security and peace for the great Brazilian family.

The government should anticipate the irrepressible explosion of the typhoon which could raze, in its devastating rage, both men and institutions, leaving behind a bloody trail of devastation. Let the government pay heed to the calls of the nation. Let it bring tranquillity and peace by raising on the highest battlements of the Planalto Palace--so that all Brazil can see it as a message of hope for the future--the redeeming flag of amnesty, this amnesty which the great Rui [Rui de Barbosa] had greeted as the "most beautiful expression of Christian clemency," as an ally of political wisdom. This means that the government should be merciful, but above all wise.

INVESTIGATION INTO LETELIER MURDER CONTINUES

Official Denies Issuing Passports

PY110219Y Paris AFP in Spanish 0030 GMT 11 Mar 78 PY

[Text] Santiago, 10 Mar--It was reported here that a Chilean Foreign Ministry official today denied having issued passports to two persons allegedly involved in the death of former Foreign Minister Orlando Letelier in Washington in 1976.

The former deputy director of the Foreign Ministry's Consular Department and the present Chilean consul in the Argentine city of Neuquen, Humberto Alvarez, said during a press conference that he did not know who signed those documents and does not remember the name of the department head.

He made the statement after being questioned by Special Judge Marcos Libedinsky, who is trying to determine the facts concerning the issuance of official passports to Chileans Juan Williams Rose and Alejandro Romeral Jara to travel to the United States 1 month before the assassination of Letelier and his young U.S. collaborator, Ronni Mofitt. Both persons are mentioned in a petition from a U.S. court in connection with the assassination.

According to the U.S. Embassy in Santiago, the two alleged Chileans obtained visas requested by the Foreign Ministry.

It was also reported that the chief of the consular section at the time was Guillermo Osorio, who committed suicide by shooting himself in the forehead last October.

Special Judge Libedinsky told the press that he questioned Consul Alvarez to learn the procedure followed by the department for issuing passports.

In answer to a newsman's question, the judge did not reject the possibility that the documents had been burned, since expired passports are incinerated after 1 year.

Request for Observer Denied

PY110249Y Buenos Aires LATIN in Spanish 2240 GMT 10 Mar 78 PY

[Text] Santiago, Chile, 10 Mar--Judge Marcos Libedinsky, who is in charge of the legal investigation into the issuance of official passports to two Chilean citizens allegedly involved in the assassination of former Minister Orlando Letelier, today said that the request for a U.S. prosecutor to be present during interrogation of the accused is inadmissible.

Speaking for himself, as a lawyer and a professor of law, Libedinsky said that no foreign judicial authority can act in our country as such.

A petition from a U.S. court asked the Chilean courts to interrogate Chilean citizens Juan Williams Rose and Alejandro Romeral Jara for alleged involvement in the Letelier assassination, in Washington in 1976. The document also requested that an official from a District of Columbia court be present during the interrogation.

Judge Juana Gonzalez, who is handling the petition to interrogate the suspects, told the press that no one has been or will be called to make statements concerning the petition until Special Judge Libedinsky establishes whether the names which appear in the documents belong to real persons.

Until the judge confirms the names Michael Townley and army official Armando Fernandez Larios, who according to the Chilean press are really Williams Rose and Romeral Jara, "I can do nothing, since I cannot cite all the persons who appear in the press," said Judge Gonzalez.

Investigator Returns From U.S.

PY111756Y Paris AFP in Spanish 1657 GMT 11 Mar 78 PY

[Excerpts] Santiago, Chile, 11 Mar--Under Secretary of the Interior Enrique Montero returned from Washington today after gathering information regarding the murder of former leftist Foreign Minister Orlando Letelier.

The Chilean under secretary of the interior left for Washington last Tuesday to hold several meetings with U.S. Government spokesmen and members of the Justice Department.

Montero said, upon his arrival in Santiago, that "the high-level meetings held in Washington reveal that the U.S. Government attitude toward Chile is extremely positive." Montero emphasized that during the meetings he reiterated the statements of a document delivered by the Chilean Government last Monday regarding the Letelier case and the decision to widely cooperate in the investigations.

EL MERCURIO Criticizes Petition

PY101452Y Paris AFP in Spanish 0320 GMT 9 Mar 78 PY

[Text] Santiago, Chile, 9 Mar--In its Friday edition, the newspaper EL MERCURIO termed "illegal and offensive" a U.S. request that a U.S. judge be present here at the interrogation of two Chileans allegedly involved in the killing in the United States of former Foreign Minister Orlando Letelier.

The request is included in a petition sent by the U.S. authorities to the Chilean Supreme Court, naming Chileans Juan Williams Rose and Alejandro Romeral Jara as the ones involved in the case.

Neither person has yet been found by the Chilean authorities, who are also investigating the granting of the official passports to allow these two persons to enter the United States.

EL MERCURIO said in its editorial that "it is morally unacceptable that this request be made." The daily newspaper also quoted remarks made by several judicial personalities who agreed that the U.S. petition is "inadmissable," and must therefore be rejected.

END OF STATE OF SIEGE OFFICIALLY DECREED

PY101423Y Paris AFP in Spanish 1324 GMT 10 Mar 78 PY

[Excerpt] Santiago, 10 March--The Chilean Government today decreed a state of emergency in Chile to replace the state of siege which has been in force since 1973. The decree, signed by President Augusto Pinochet, was published today in the OFFICIAL GAZETTE.

The decree notes that "all the regions, provinces and districts in Chile are emergency zone areas for a period of 6 months as of 10 March 1978." The decree adds that the heads in charge of the emergency zones will be armed forces officers.

Emergency Zone Heads Appointed

PY110213Y Santiago Chile Domestic Service in Spanish 1630 GMT 10 Mar 78 PY

[Excerpt] The state of emergency decree designates the following jurisdictions and persons in charge: Brig Gen Juan Guillermo Toro Davila, 1st Region; Brig Gen Adriano Ortiz Gutmann, 2d and 3d regions; Brig Gen Enrique Morel Donoso, 4th, 5th and 6th regions, except Valparaiso, San Antonio and Easter Island provinces; Vice Adm Arturo Troncoso Daroch, Valparaiso and Easter Island provinces; Brig Gen Enrique Morel Donoso, metropolitan area and San Antonio Province; Brig Gen Rigoberto Rubio Ramirez, 7th and 8th regions, except Talcahuano and Tome communities; Capt (Julio Rojas), Talcahuano and Tome communities; Brig Gen Luis Prousing Schwartz, 9th and 10th regions, except Llanquihue and Childe provinces; Brig Gen (Fredy Ruiz), Llanquihue and Childe provinces; Col (Samuel Alerti Rojas C.), 11th region; and Maj Gen Nilo Floody Buzton, 12th Region.

Bar Official on Decree

PY110207Y Santiago Chile Domestic Service in Spanish 1630 GMT 10 Mar 78 PY

[Summary] "President Pinochet is accomplishing the various stages toward institutional normalization of the country, stated Julio Duran Neumann, president of the Chilean Bar Association, when he mentioned the president's announcement of the lifting of the state of siege."

[Begin Duran recording] I believe that the government lifted the state of siege on the basis of an appropriate situation in the country. Now, within the democratic normalization of the country, I think the process must be gradual. I know that some people are afraid, that they believe it is still too soon to lift the state of siege. Since there are still some organizations which allegedly defend human rights--the Vicariate of Solidarity, for instance--but continuously carry out opposing political actions. "This is no reason for fear." Opposing actions are sometimes even necessary. A vibrant and vital democracy has to be in a position to face democratic coexistence, which means not only governing but also accepting critical judgment, sometimes adverse, sometimes tending to correct the actions of a government." [end recording]

Julio Duran added that the president has accomplished the promised steps toward implementing the new Chilean democracy.

[begin recording] I believe that lifting the state of siege is a step which will allow the situation of the country to be evaluated before a change, to adapt the institutional structure to the new forms of democratic government which it will have to implement. On 4 January the people expressed their support for the government junta and their wish that the junta seek the road to democratic normalization. [end recording]

Duran emphasized that the courts will again be able to appropriately accomplish their tasks, which had been limited by the national emergency situation.

[begin recording] "This allows two things which in my opinion are very important: First, the rules of peaceful democratic coexistence only allow the government to detain citizens whose behavior is antisocial, in order to put them at the disposal of the courts under terms established by law. Therefore, the system of detention for undetermined periods, as a preventive measure, does not operate." The courts will review, investigate and decide on punishment according to the law. Second, I believe that maintaining the state of siege for too long was damaging our international image. Although I am certain that the people whose doctrine is violence and whose god is crime will continue operating--it is childish to think that 4 years of military government will change their mentality--I believe that it is good that the courts will operate with full rights to apply appropriate punishment. [end recording]

Julio Duran indicated the need to make a political evaluation of the 4-and-1/2-year state of national emergency.

[begin recording] Besides improving our image abroad, I believe we have to review the results of these 4 and 1/2 years of state of siege, as part of the normalization process. "Many people are now mature enough to understand that their opinion must be expressed with the respect which will allow different doctrines and philosophies to participate in the democratic dialog." An evaluation will help us learn about our present situation and set guidelines for the future. [end recording]

The president of the bar association concluded by stating that the decision of the government to lift the state of siege was the result of the 4 January popular consultation in support of Chile and President Pinochet.

BRIEFS

FRG INVESTORS--A group of FRG entrepreneurs has purchased two rich copper mines in the area of Illapel, investing $160 million. [Santiago Chile Domestic Service in Spanish 1630 GMT 10 Mar 78 PY]

EUROPEAN INVESTMENT SOUGHT--Santiago, Chile, 9 Mar--Finance Minister Sergio de Castro will tour several European countries early in April to seek capital investments to be made in Chile. It was confirmed that Castro will brief FRG and Netherlands (?industrialists) on the Chilean economic evolution. [Text] [Buenos Aires TELAM in Spanish 1620 GMT 9 Mar 78 PY]

PRESIDENT LOPEZ LENDS SUPPORT TO TORRIJOS

PA090310Y Panama City Circuito RPC Television in Spanish 2300 GMT 8 Mar 78 PA

[Text] Colombian President Alfonso Lopez Michelsen has sent a message of solidarity to the Panamanian Government with regard to the recent U.S. Senate investigation into alleged links of Panamanian Government leaders to drug trafficking. In his telegram, President Lopez Michelsen tells Gen Omar Torrijos: I express to you my solidarity in the face of the humiliating treatment to which Panama and its government have been subjected.

OSPINA-PASTRANISTS URGE SUPPORT FOR BETANCUR

PA110344Y Bogota Radio Cadena Nacional in Spanish 1730 GMT 10 Mar 78 PA

[Text] Bogota--Ospina-Pastranists described Belisario Betancur's candidacy as the true alternative and invited all Colombians to support him in the 4 June presidential elections. The National Directorate of this conservative group issued a statement at noon today in which it reiterates its support for the candidate and explains the benefits of Betancur's government program regarding labor policy, development programs, full understanding on the part of the people and access to education. In their statement, the Ospina-Pastranists state that the country's situation calls for a wide-ranging, radical change such as the one proposed by the conservative candidate.

ANAPO GIVES SUPPORT TO BELISARIO BETANCUR

PA122304Y Buenos Aires LATIN in Spanish 1944 GMT 12 Mar 78 PA

[Excerpts] Bogota, 12 Mar (LATIN)--The National Popular Alliance [ANAPO], the political party established by late former President Gen Gustavo Rojas Pinilla, will support the presidential candidacy of Conservative Party candidate Belisario Betancur. The decision was unanimously adopted yesterday at a party meeting held in Bogota under the presidency of Maria Eugenia Rojas de Moreno, daughter and political heir of Rojas Pinilla.

With this decision, which identifies it with the Conservative Party, the ANAPO confirms its virtual disappearance from the Colombian political scene.

Rojas de Moreno said that ANAPO's support for Betancur is based on the fact that he has presented himself as a suprapartisan "national candidate." Betancur was proclaimed as a presidential candidate by both sectors of the divided Conservative Party.

PASTRANA SUPPORTS CHARGES ON ELECTORAL PARTIALITY

PA130220Y Bogota EL ESPECTADOR in Spanish 9 Mar 78 pp 1-a, 9-a, PA

[Article by Carlos Murcia]

[Excerpt] Former President Misael Pastrana Borrero has expressed complete agreement with charges made by former President Carlos Lleras Restrepo in the weekly NEUVA FRONTERA regarding government partiality in the recent elections.

In remarks made to EL ESPECTADOR yesterday afternoon, Pastrana stated:

"I had already made statements regarding the way in which the authorities took sides in the recent elections but a Liberal newspaper accused me of being biased. It involved not only the return of certain electoral vices but the implementation of new methods of coercion, deceit and cajolery, such as the massive distribution of government favors and public funds to change peoples' minds."

He added that "the charges made by a former Liberal president is the greatest affirmation produced in a long time concerning the behavior of a ruler from the same political party. I say this with complete authority and peace of mind, with complete authority because I presided over an election which President Lopez himself has just admitted was held under full republican guarantees, and with peace of mind because government pressure was halted by conservative dignity since the final results of the election show that the majority of the votes and the majority of the seats went to the movement which I led."

TERRORIST ATTACK IN CALI RESULTS IN PROPERTY DAMAGE

PA1l0147Y Bogota Radio Cadena Nacional in Spanish 1730 GMT 10 Mar 78 PA

[Text] Cali--Two vehicles burned, two persons injured and losses of 1.2 million pesos were the results of a terrorist attack which occurred in Dali this morning and which took police authorities by surprise.

According to reports given to RCN, a terrorist group hurled Molotov cocktails into a parking lot in Villa del Sur neighborhood, causing a fire. Two buses were burned and losses were estimated at 1.2 million pesos.

Police authorities reported that a group of terrorists is trying to create chaos and anarchy in Cali. A government vehicle was burned yesterday and the incident was attributed to the same terrorist group. Two policemen, Ismael Rodriguez and Jose Octavio Hernandez, sustained second and third degree burns as they tried to put out the fire caused by the Molotov cocktails which burned the two buses. The police reported that the two policemen were out of danger.

No arrests had been made up until noon today despite efforts made by the police.

BRIEFS

CUBA TO ATTEND FAIR--Bogota--Cuba will participate in the Bogota fair scheduled to be held in July, it was reported here today. This is the first time for Cuba to participate in the fair. [Bogota Radio Santa Fe in Spanish 2330 GMT 6 Mar 78 PA]

CARTER POLICY DAMAGES HUMAN RIGHTS, SAYS HOY

PY1100531Y Asuncion HOY in Spanish 10 Mar 78 p 9 PY

[Editorial: "Those Pesky Human Rights"]

[Text] The latests blow inflicted on Paraguay by the U.S. human rights policy was the negative vote on a $33 million loan request to the World Bank for construction of a highway.

It is said that serious concern over continuing human rights problems in this country was cited by the U.S. members of the board of directors as the basis for voting against it. According to the news, this concern was based on a report on the human rights situation in Paraguay which states that President Stroessner's administration has continued its "tradition of being an authoritarian government.' It is also said that the state of siege has been in force since the 1947 revolution.

There is no doubt that this violent offensive has been launched from Washington with the purpose of changing the customs of the world and adjusting them to the standards of the "Great Democracy of the North." However, not even that great democracy seems to meet all these standards. The influential Washington POST itself, one of the four newspapers which are mandatory reading in the State Department every day, does not seem to understand the human rights reports. The newspaper stated: "The United States in 1976 became the first country to impose on itself an obligation by law to make a statement every year regarding the internal affairs of other states." This was directed to the 100 countries which receive U.S. foreign aid, which is intended to be used, according to the Washington POST, "as a lever for human rights." It adds: "This mixture of idealism and arrogance can be argued against."

This well-known newspaper of the capital of the Western world probably does not want to say openly that this is direct intervention in the internal affairs of other nations or legalization of that which contradicts every principle advocated by large international organizations regarding noninterference in matters regarding the sovereignty of each state.

Looking at it closer, from the point of view of the vote against us by the U.S. representative, it is worth referring to the Washington POST again, because the statement fits a later reality. It states: "We also find ourselves with the fact that others, taking the banner left by him (Jimmy Carter), are trying to apply a rigid test to American participation in the international development banks and now, in a particularly inept and harmful action, in the International Monetary Fund. Obviously, the United States does not have the right to impose rules within these international institutions the way it can impose them in its own programs of direct bilateral aid. Therefore, another area which has to do with economic activity is threatened in the name of human rights."

The threat is beginning to function as a real form of coercion over other nations. This time it was only a negative vote by the American delegate supported by weak and confused arguments and backed by Great Britain but with the Scandinavian countries abstaining--all of them shareholders in the World Bank, which finally granted the loan to Paraguay. It seems that President Carter's democratic government hopes the number of supporters for his policy will gradually increase until it constitutes a majority which will follow the leadership of that great country, the master of democracy--at least of democracy as that country sees it.

Through this type of coercion, which can be accompanied by suspending other aid from the northern country, regarding which it does not have to consult anyone--serious damage can be done to the peoples and governments for whom that assistance was intended. These are the people who are waiting for the capital to find the road to progress, and this is capital which must necessarily come from abroad because political and economic subjugation (which can now be seen returning) force them to mortgage the resources of their land and the strength of their arms to those who took away the profits to deposit them in banks, which are now returning to them as credits.

Of course this type of policy, which is benefited by import quotas on products from developing countries and other types of restrictions, does not benefit human rights. It is clear that its only purpose is to apply pressure through money and subjugate them through hunger by shattering the basic rights to feed themselves, to fight against illness, to educate their children and to achieve a dignified old age, as well as to exercise democracy through their capability of working independently (as the Americans want) without falling under dictatorships (as Uncle Sam does not want).

BRIEFS

CONGRESS APPROVES ELECTION--The National Congress approved the election of Gen Alfredo Stroessner as president of Paraguay yesterday. [Asuncion ABC COLOR in Spanish 10 Mar 78 p 12 PY]

TRIPARTITE DELEGATION--The executive branch has designated the delegates who will represent Paraguay during the tripartite talks to commence 14 March in Asuncion. They are: Senator Carlos Saldivar, head of the delegation; Enzo Debernardi; Rear Adm Guillermo Haywood; Hans Krauch; Ambassador Jose Antonio Moreno Rufinelli; Ambassador Antonio Masulli Fuster; and Efrain Dario Centurion, Foreign Ministry under secretary for economic affairs. [Asuncion ULTIMA HORA in Spanish 8 Mar 78 p 8 PY]

WEEKLY CONCERNED OVER 'SECRET' CARTER LETTER

PA110427Y Madrid EFE in Spanish 1220 GMT 10 Mar 78 PA

[Text] Lima, 9 Mar (EFE)--The tense relationship between Peru and Ecuador is worrying the United States. Its President, Jimmy Carter, reportedly sent a secret letter on the issue to Peruvian President Gen Francisco Morales Burmudez. As reported in Thursday's issue of MARKA, the Lima political weekly, Morales Bermudez received the letter, which had been written in English, on 8 February, and has already answered it.

MARKA urges that both letters be published in view of the great importance of their contents. Nevertheless, the well-informed weekly which analyzes current events in Peru relates all it knows about the letter exchange.

It seems that President Carter's note deals with two aspects which concern the U.S. Government: Peru's economic and financial situation and what it calls "border problems in the Andean region." Carter ties all this to what would seem to be his major concern--the carrying out of the plan to transfer power in Peru.

The cause of the most concern in all this, MARKA says it learned at an official level, is that the American President's note contends that "border problems in the Andean region" are twofold--Bolivia's sea outlet and Ecuador's outlet to the Amazon. Also according to MARKA's confidential report, President Morales Bermudez reportedly answered Carter's note "by dotting the I's and crossing the T's." He reminded the U.S. Government that the United States is a guarantor of the Rio de Janeiro treaty.

That treaty establishes the fact that Ecuador enjoys the same rights in the Amazon as Colombia or Brazil enjoy as riparian countries. However, those rights naturally cannot be granted to Ecuador which has been repeatedly announcing that it does not recognize, or that it repudiates, the Rio de Janeiro protocol.

The peace, friendship and border protocol signed in Rio de Janeiro on 29 January 1942 definitely set the borders between Ecuador and Peru. It is solemnly guaranteed by the United States, Argentina, Brazil and Chile. This is a supplementary requirement [as received]

The Ecuadorean foreign minister recently stated that, historically, Ecuador "is the country most entitled to own the Amazon River." This statement drew a categorical rejection from the Peruvian Government and relations between the two countries have since deteriorated a great deal.

Like other Peruvian publications at that time, MARKA now also claims that the current deterioration in Peru's relationship with Ecuador was probably instigated by Chile in an attempt to draw Peru's attention to the north and to lessen the pressures to which it is being subjected. Chile is under pressure in the dispute with Argentina.

ELECTORAL TRIBUNAL OPENS POSSIBILITY OF EXILES' CANDIDACY

PA101601Y Paris AFP in Spanish 0238 GMT 10 Mar 78 PA

[Text] Lima, 9 Mar (AFP)--The National Electoral Tribunal (JNE) announced today that there is no legal impediment to exiles running as candidates for members of the Constituent Assembly. JNE President Ulises Montoya thus responded to a question by the Peruvian Communist Party (Orthodox) regarding the candidacy of many exiled leftist leaders.

Political leftist circles mentioned retired Gen Leonidas Rodriguez, leader of the Socialist Revolutionary Party, and other party leaders as possible candidates. Extreme leftist leaders, such as guerrilla Hugo Blanco, labor attorney Ricardo Diaz Chavez and Rafael Roncagliolo, president of the National Association of Peruvian Journalists, all exiles, were also mentioned.

POLICE BREAK UP LARGE DRUG NETWORK

PA102212Y Buenos Aires LATIN in Spanish 1418 GMT 10 Mar 78 PA

[Text] Lima, 10 Mar (LATIN)--The Peruvian Investigative Police (PIP) was questioning today 121 traffickers and narcotics users, among them a Colombian, in connection with the seizure of 800 kilos of marijuana in the biggest operation registered here. PIP Inspector General Manuel Lezama Ibanez also revealed that on Friday the operation broke up several international organizations operating in the Peruvian lowlands. He said Lima had become "a big market," with heavy trading in cocaine paste and marijuana detected in slums and residential sectors. He said the PIP antinarcotics operation will continue without interruption throughout the country and explained that the 121 arrested here include adults and minors of both sexes.

Regarding international drug rings, he explained that the first one broken up was composed of Alvaro Cujarte Garcia, Jose Olivo Ortiz Garzon, Carlos Chevata Castaneda, Manuel Porto Sanchez, Jorge Sanchez Cruz and Alvaro Bedoya, all Colombians. The last two are the ringleaders and are at large.

Lezama Ibanez said that in the operation against this gang, which included U.S. national Linda Davidson, the police confiscated 72 kilos of cocaine paste which was ready for shipment abroad, several cars and cash, which was in dollars. He added that the other PIP operation in the lowland province of Iquitos broke up and arrested several members of another international drug peddling gang from which 350 kilos of cocaine paste were taken.

Lezama Ibanez added that eight PIP agents went to the United States in May for training in pursuance of an agreement with the Drug Enforcement Agency, an organization backed by the United Nations.

GOVERNMENT DECLARES RAILWAY STRIKE ILLEGAL

PY111356Y Lima Domestic Service in Spanish 1200 GMT 11 Mar 78 PY

[Text] The strike begun by the workers of the National Railroad Enterprise [ENAFER-Peru] has been declared illegal.

This stand was taken by the Minister of Labor under directorates in Arequipa, Tacna and Cusco. The ENAFER-Peru workers who do not return to work will be accused of having abandoned their work illegally.

It has been reported from Tacna that the railroad service between Tacna and Arica has been resumed after the railroad workers in the former city returned to work yesterday and agreed to call off the strike. The workers at the Tacna-Arica railroad decided to obey the orders of the Labor Ministry officials who had given them a 24-hour deadline to return to work.

Reports from Cusco say that limited service could be resumed with the help of navy personnel and that three trains left for Sicuani at 1720. This service will be continued tomorrow.

MUNICIPAL EMPLOYEES END STRIKE 11 March

PA120303Y Buenos Aires LATIN in Spanish 0034 GMT 12 Mar 78 PA

[Text] Lima, 11 Mar (LATIN)--Five thousand municipal employees ended their indefinite general strike. About 30 of them ended a hunger strike following the announcement of a wage increase made here today. The strikers ended their week-old strike last night upon hearing of a government resolution approving an increase in their salaries.

According to an official communique, the salary adjustment was approved on Tuesday at the regular cabinet meeting but was not revealed until the employees ended their strike.

From Monday through Friday about 1,000 employees occupied the municipal building. From balconies they agrily demanded a solution to their problems. Members of extreme leftiest political parties tried to reap benefits from the employee's determined action yesterday. They illegally occupied the main plaza where the government, municipal and archbishopric palaces are located. They were vigorously evicted by the police.

The municipal employees are also demanding the resignation of Gen Arturo Cavero Calisto, the mayor of Lima, but it is not known whether he has resigned.

TOQUEPALA COPPER MINERS CALL INDEFINITE STRIKE

PA130230Y Paris AFP in Spanish 1621 GMT 12 Mar 78 PA

[Text] Lima, 12 Mar (AFP)--The 4,000 workers of the Toquepala copper mine in southern Peru have declared an indefinite general strike which will start tomorrow, Monday. Meanwhile, the general strikes of the country's 30,000 textile workers and 7,000 southern railroad workers continue while the 5,000 municipal workers of Lima return to work tomorrow.

The Toquepala mine workers of the U.S. Southern Peru Copper Corporation are demanding wage increases and the rehiring of dismissed workers, both of which are considered untimely by labor authorities. The textile workers, who have been on strike for 15 days, are demanding that their wages increase in line with increases in the cost of living. It is possible that they may soon return to work following a government resolution which partially meets their demand. The southern railroad workers are demanding wage increases and have confirmed their decision to continue the strike, which is now in its 5th day, in spite of the fact that the strike has been declared illegal. Finally, the Lima municipal workers obtained the wage increases they demanded and ended their 8-day strike.

MDP VICE PRESIDENT INTERVIEWED BY PAPER

PA120259Y Lima EL COMERCIO in Spanish 5 Mar 78 p 4 PA

[Interview with retired Capt Jorge Chocano Salas, vice president of the Peruvian Democratic Movement--date and place not given]

[Excerpt] [Question] How would you define the country's current political situation?

[Answer] In view of the circumstances which have existed in the country in recent years, we regard the government's measures to transfer power to the civilian population as positive. We also consider similarly positive the fact that we are heading first toward the formation of the Constituent Assembly--which is not the best path to arrive at a general election but is in accordance with the gradual approach demanded by circumstances--and then, at a later date, toward general elections. This will allow us to arrive at general elections in a more peaceful manner and with broader political information, as various newspapers are already providing. I can tell you, therefore, that the political situation is equally favorable to all, particularly as it concerns the parties' consolidation of their forces in order to show their electoral strength in the 1980 elections.

[Question] In recent days, objections have been filed against three leftwing political parties. They are the Peruvian Communist Party (UNIDAD), the Socialist Revolutionary Party and Socialist Popular Action. What is your opinion on this?

[Answer] We believe that if all the parties have met the legal requirements regulating the electoral process for the Constituent Assembly, the filing of objections at this point simply hinders the process. In our opinion, all political parties, be they of the center, left or right, should participate.

[Question] Ideologically, where would the Peruvian Democratic Movement [MDP] place itself in the national political spectrum?

[Answer] We are a centrist party. Our members belong mostly to the middle class. We want a true and renewed democracy to be implemented in the country in order to definitely guarantee this system for the future, amid the broadest freedoms for all citizens and with total freedom of the press. In this manner, the country will always be duly informed of all that is happening at all levels in the nation.

[Question] Captain, do you believe total freedom of the press can exist, be it in a capitalist or a communist system?

[Answer] No. I do not think so. I understand there are certain limitations. However, during Dr Manuel Prado's second administration we showed that total freedom of the press is the most invigorating thing there can be in a democracy.

[Question] Several political parties and groups have mentioned the need for a broad political and labor amnesty. What is the MDP's stand on this?

[Answer] We believe that the return of political exiles should be decreed so that they can participate in the elections for the Constituent Assembly. Regarding the labor amnesty, we must say that since we are not familiar with the extent of the damages caused to the country, for which a labor amnesty is now being requested, we must first analyze the situation of thousands of Peruvians who are suffering the hardships of unemployment because a few people have frightened away the foreign and domestic capital necessary for new investments. We feel that we are not in a position to give an opinion on the viability of granting a labor amnesty at this point.

[Question] Why is a new political constitution necessary?

[Answer] I believe certain substantial changes have been made and the new constitution must be adapted to current circumstances, with an eye to the future. We must also point out that although the changes brought about by this revolution are irreversible, they evidently can be improved and perfected in order to fulfill the objectives for which they were implemented. But we agree with those changes and believe that they should be institutionalized in the new constitution.

[Question] Do you believe that the socioeconomic changes brought about are irreversible? Do you not think that the sectors representing the right advocate a return to the past?

[Answer] As regards my party, we will do everything possible to retain those changes, but we repeat: Whenever possible, we will improve those changes. We have no thoughts about returning to the past.

[Question] Which of the reforms implemented in the last 10 years does the MDP specifically endorse?

[Answer] The main ones. Among them are agrarian reform, the industrial community and the social property enterprises. We endorse them as long as they are in accordance with the country's economic reality.

BRIEFS

OIL EXPLORATION--The revolutionary government has approved the exploration for oil on 1 million hectares which will be offered to oil companies in accordance with the government's oil exploration agreement. The decision was made in order to implement the country's drive for oil self-sufficiency. [Lima Domestic Service in Spanish 1200 GMT 9 Mar 78 PY]

POWERLINE CONSTRUCTION--ELECTROPERU signed an agreement with the Japanese (Marven) corporation for the installation of 400 km of powerlines from Lima to Chimbote at a cost of 4.5 billion soles. According to the agreement, the installation of the powerline must be completed in 30 months. [Lima Domestic Service in Spanish 1200 GMT 9 Mar 78 PY]

AMBASSADOR TO CHILE--The Chilean Government announced yesterday that it has granted the respective approval for (Ret) Div Gen Guillermo Arbulu, former Peruvian prime minister, to become Peruvian ambassador to Chile. [Lima Diplomatic Information Service in Spanish 0135 GMT 8 Mar 78 PA]

PRESIDENT PEREZ GIVES STATE OF UNION MESSAGE

PA111525Y Caracas Domestic Service in Spanish 1424 GMT 10 Mar 78 PA

[State of the union message by Venezuelan President Carlos Andres Perez to the joint session of Congress at the Legislative Palace--live]

[Excerpts] This solemn ceremony is the 20th in a continuing series of ceremonies that began on 23 January 1958 when Venezuela regained its democracy. The reiteration of this fact encourages and reaffirms our confidence in the maturity of secure development and the continuance of normal stability that is vital to Venezuela. During these 20 years, this solemn meeting of the supreme branches of power has become rooted and practiced a civic spirit as a productive method of learning a republican way of life. This is done in compliance with the Constitution that obligates the chief of state to give an annual message in which he renders an account of the political and administrative aspects of his work and outlines the national economic and social development plan.

In 1978, Venezuela is enjoying a creative peace and auspicious coexistence and the most important thing is to notice how, despite the deficiencies noticeable in the system and the criticism that it deserves, as does any other human endeavor, the large majority of our population has known how to remain absolutely loyal to the current democratic rule so that today we can say that the Venezuelan nation has democracy linked forever with its destiny.

It is true that last year there were serious disturbances of public order. However, by no means do they reflect a general feeling of dissatisfaction or discontent with the work of the government or with the system. They are events that can be viewed as normal within a democratic country, and this can be verified if we take a look at what is going on in other countries. Apparent tranquillity exists only in the absolutist or totalitarian regimes.

Obviously, there are national structural problems which could be solved on a medium term basis but that would lead to demonstrations and other means of publicly expressing the discomfort of the affected sectors. That is what is happening with the students. If elementary schools had not expanded so much during the democratic administrations, there would be no shortage of classrooms (?and supplies) in the secondary school system despite the considerable funds earmarked for it. This enormous growth of secondary education has put thousands of students on the threshhold of higher education and it has been impossible in this limited time to prepare the educational facilities and systems to accomodate them.

Extremist groups, hiding behind student protests which are the consequence of understandable impatience, are trying to taint the peaceful demonstrations with violence and turn them into confrontations with police forces charged with safeguarding order and protecting free transit and public and private property. Under these circumstances, there is always a danger that unwanted mishaps, which the police or military authorities try to avoid by all means, will occur.

However, it is appropriate to draw attention to the government's correct and unblemished conduct with regard to explaining the incidents and identifying the guilty party or parties, as should be the case in a genuine democracy. The government should assume its duties even under the deplorable circumstances in which officials are involved in excesses or arbitrary action. This is the only way to live in a real de jure state and protect human rights.

We have also put an end to what had become the [words indistinct] practice of coverups, the already forgotten issue of the missing. Some concern has been voiced about the existence of subversive activity in the eastern part of the country. This is no different from what has been occurring since the subversive process which unfortunately afflicted Venezuela was eradicated in the 60's.

What remains are fanatics who have become professional criminals and against whom the government is fighting through means established in the Constitution and in law to maintain peace, safeguard the physical safety of the people and protect the free exercise of individual rights. Great progress is being made in controlling these aberrations which are causing anxiety and unrest.

The abominable crime of kidnaping has been strongly and decisively opposed by my government. This extremely dangerous practice, which today is the scourge of the entire world, has been halted. The people's disapproval of all these criminal acts and of the unnecessary and often irrational disturbances of public order has contributed to a great extent toward minimizing those acts and making it easier for the government to promptly implement remedial measures when necessary.

With regard to specific achievements, this message, together with the accounts and reports that the ministers will submit, show in detail the vigorous and positive work carried out last year by my administration. We have managed with great success the enormous resources that Venezuela's oil policy, supported by OPEC and the Third World, has placed in the hands of the people. The constant effort to fulfill a number of priority projects has been maintained despite the many difficulties and problems that could have distracted our attention from the great national goals.

I realize that the government's action are not always in line with the intentions of the chief of state, or of his assistants, nor what the people expect, and we have made mistakes. I am sure that the work carried out by any government needs constant changes and readjustments, and criticism of those in power and public opinion contribute to this process. What is definitely important is that the policies carried out were correct, even if we did not follow them too closely in order to reach our goals. Let us not forget that we have inherited a system of government and administration that is not suited to the demands of a society which is active and carrying out aggressive reforms as Venezuela is today.

The government has tried to implement greater austerity. The vice of spending is too far advanced and economic abundance of this decade has promoted patterns of conduct in the state and society which make it difficult to enforce stronger disciplinary measures on the people. My views regarding this situation have not changed in spite of what I have said. Every year I have tried to deal with this issue and to move closer to our goals. It is hard to admit that the government's inability to remedy vice and corruption is due to a great extent to the obsolescence of the administration.

One change which should have been carried out to overcome these obstacles is included in bills submitted to Congress. The bills complement others which were approved during this legislative period. I respectfully request congressmen to start debating these bills during this session, especially those dealing with the decentralization of the administration, national defense, administrative procedures, income tax law and internal revenue reform bill, the partial amendment of the judicial branch organic law and others which can contribute to improve the administration, correct its deficiencies and establish the proper framework for improving the efficiency of the state institutions and defining crimes against the state as well as punishments.

No one can have any doubt of the dynamism I have tried to put into my government, which has been characterized by intense activity. Its psychological influence on the country can be seen. If admitting that the government has made errors and mistakes is detrimental to Venezuela, it is even worse to disregard the firm political and administrative actions of this government in the direction of modernization and its courage to advance.

The expansion of our domestic economy has surpassed the expectations of the nation's fifth plan. The sustained growth of more than 10 percent over the 4 years of my administration is something that few countries can offer. However, these figures themselves do not show that our economy has been democratic in its performance. These figures must be accompanied by steps which truly signify an equitable distribution of the wealth created by all the people.

For this reason, 1978 is a propitious historic moment to evaluate our accomplishments and their meaning in terms of the economic and social reforms that began 20 years ago with the establishment of the democratic regime.

In 1974 Venezuela showed a marked imbalance due to the high concentration of economic activities in the capital city and central region. This area was pulling in the human, material and financial resources of Venezuela's other regions. The state's efforts were aimed at this area, which absorbed absorbed an important amount of the fiscal resources. Over 75 percent of the Gross National Product [GNP], excluding petroleum, was generated in the capital city and central region, an area amounting to 101,000 square km and equivalent to 11 percent of the national territory. Meanwhile, the country's other regions generated only 25 percent of the GNP, excluding petroleum. In that 11 percent of the territory lived 4.7 million people, or 41 percent of the population, and almost one half of the country's active labor force. The other half of the employed population was spread over an area of more than 800,000 square km, with a population of 7 million inhabitants. This evident demographic concentration at the center logically exerted pressures on infrastructural requirements, forcing the state to [words indistinct] the national budget to the detriment of provincial development.

Three months after the beginning of my administration I promulgated Decree No 134, which established rules for industrial decentralization and aimed at promoting new industries in the country's interior regions through fiscal, financial and other incentives. This policy of economic decentralization was strengthened by forcing government organizations to conclude regional contracts for the drafting and the construction of projects, to buy goods and obtain services locally and to use the regional social communications media to disseminate official notices.

In brief, after March 1974, of the 31 decentralized institutions affected by the administration's decentralization policy, 24 have been relocated in various cities throughout the country and only 7 have been established, always outside Caracas, along the coast of the north central region. This means that 5 autonomous institutions, 21 state concerns, 3 mixed capital concerns and 2 companies with state participation are today located outside the Caracas metropolitan area.

We have concluded all the studies to begin the coal industry development plan which, like all mining exploitation, will be completely under state administration. I have instructed the finance minister to present to Congress a bill authorizing the executive to obtain from the Venezuelan investment fund, and from other sources, the resources needed to begin this program in the coming months. This will be a positive step in the consolidation of a Venezuelan economy less and less dependent on petroleum and in the industrial production of Zulia State. [applause]

With the recovery of our economic sovereignty, we have lost the easy argument of blaming the powerful nations for our underdevelopment. The nation's progress is now the overall responsibility of all the people. We have to insure that technological research and innovation will increasingly become part of an organized national effort at our scientific research centers and universities. The industrialized nations will not easily turn over to us the scientific and technological knowledge which is their main source of wealth and domination. The social injustices which might in the future be caused by the possibility that exaggerated benefits will be allowed privileged classes also cannot be explained as being the result of the power that the factors of foreign domination exercise over our development and distribution of wealth. Instead, in the future, they will be the result of our negligence in tolerating a clear inequality in the distribution of the economic surplus among organized minorities and the majorities who must be guaranteed the instruments for the defense of their legitimate rights. The nationalization of basic resources has expanded the dimensions of the economic surplus at the disposition of the Venezuelans.

The wealth of the state and the private sector is an integral part of the social wealth of all Venezuelans. It therefore must be managed with the same objective: national benefit. Private business management of the resources which fundamentally come from the wealth of the state must guarantee the social responsibility of that private capital through the normative and directive action of the state. Private enterprise has to increasingly become more social and its profits should faithfully reflect the benefits it provides to society.

The philosophy implicit in the programs of the fifth plan of the nation provides for the intervention of the state to regulate the management of these large amounts of wealth. Our government believes that the state has the duty of imposing obligations on private business so that it will provide direct benefits to society. Because of this, we have drafted the tax reform at the same time that we have economically, administratively and technically prepared the path for the immediate achievement of this objective, which we hope will be attained in the present session of Congress.

Social progress in areas such as I have described is an essential condition for speeding up economic growth by making possible the participation of the people and greater levels of productivity and efficiency in work and scientific, cultural and artistic endeavors. At the same time, in a process of mutual relationship, economic growth is the basis by which material and financial resources are obtained to make possible social progress. Aware of that interdependence and the fact that during many decades petroleum has been the source of those resources, my government has directed its attention toward the establishment of more firm and lasting bases for a stable social progress that will be reflected in changes in the economic structure and Venezuelan society.

This is clearly seen in my administration in the establishment of the fundamental policy of full employment, extension of the minimum wage to agriculture, job stability and other measures. [applause] However, these objectives could not be achieved without the abrupt displacement resulting from the demand on goods which placed pressure on the volume of our imports and the level of domestic prices.

This compelled us to adopt systematic measures to check undesirable effects which could defeat the purpose of redistribution. Let us remember that Venezuela lives in a mixed economy where the economic system is, to a large extent, influenced by the private sector. Planning does not have an coercive influence on this sector. Rather, this sector is guided by incentives and regulating means.

Only the government's constant vigilance and the timely adoption of new guidance means for the developmental process have prevented unfavorable trends from overtaking the democratic goals of national development. On various occasions, we have counteracted anomalies and have provoked opposition from the interests involved and unyielding criticism from those who believe that our actions are caused by improvision. A complacent or negligent attitude on the part of the government would have allowed an acute increase of this risk which has been barely contained by the constant attention to the market to prevent the deterioration of socioeconomic attainments for the workers and lower income classes.

I feel obliged to express my concern over the excessive growth of imports. It is true that expansion and modernization of domestic productive capacity has created a change of structure in which the percentage of capital goods and raw materials increased in 1976 to 82.8 percent of total imports, which in 1977 netted 8.787 billion, showing a 34 percent increase over 1976.

In relative figures, luxury or superfluous imports seem very small, but because of the huge gross amount of imports, they represent considerable tonnage and cost. This threatens our balance of payments and represents a scandalous waste of foreign exchange and an unnecessary loss of capital. To this we must add the uncontrolled increase of payments to foreign countries and some shameful practices that delude Venezuelan businessmen, who make copious investments in real estate abroad and squander the country's money in a tourism which is not always a credit to Venezuela. [applause]

We must create an awareness of austerity. Commerce and social communications media cannot be aloof from a national commitment which, without chauvinist extremes, will curb the opportunism that corrupts our traditions and customs and devours our wealth. I do not demand sacrifices, merely the expression of a nationalist balance between importers, advertisers and the comsumer. Otherwise the generalized and indefinite application of the exemption policy and tariff protection can become an obstacle to the incorporation of nationalized sectors into general effort if it is not updated properly. That is why we must expand programs in those industries where the effort has been made and begin to incorporate it immediately in other areas of industrial activity.

To insure the supply of food to the growing Venezuelan population which has a rapid increase in its purchasing power poses a challenge--that has been the firm intention of my administration to meet--to modernize and strengthen national agriculture. In 1977, an adequate and stimulating response was given to the effort made. After the weather problems of 1976 which temporarily interrupted the steady growth rate reported in 1974 and 1975, production in 1977 reported the highest growth figures in the country's entire agricultural history. It surpassed the 1975 figures, which had been record figures in Venezuela's farming production. [applause]

To give a more secure basis to farming investments, I have issued Decree No 2,568 whereby through a set of measures, the state's agricultural credit institutes protect farmers who lose their crops for reasons beyond their control.

By 31 December 1977, the nation's public debt amounted to 34.739 billion bolivares, 32.335 billion of which come from public credit operations authorized by Congress, 956 million are from commitments entered into by the decentralized agencies in keeping with provisions of Article 51 of the organic public credit law and 1.451 billion bolivares corresponds to commitments made in line with Article 6 of the same law. [all figures as heard]

This debt represents an increase of 27.685 billion bolivares over the 7.054 billion reported in 1973 when I took office. However, as I have said earlier, this last figure does not include about 12 billion bolivares of floating debt contracted during the previous administration by decentralized government agencies such as the old Workers Bank, the Simon Bolivar Center, NITROVEN, the Venezuelan Petrochemical Institute, Social Security and debts between government agencies which had to be regulated and refinanced in order to solve the liquidity situation of those agencies.

An increase of 15.685 billion bolivares in the public debt should be attributed to my administration. That figure includes 5.613 billion bolivares for financing granted by the Venezuelan investment fund to public enterprises, which actually constitutes a debt that the state contracted with itself. This is not to deny that the public debt has reached unprecedented levels. This has happened within the framework of a new financial strategy linked to major public projects which we have been pushing during the past 4 years to take advantage of the huge resources and the large prospects for national development.

In view of a wholesome and far-sighted conservation policy, oil reserves which could have been depleted have not been sacrificed. They could have become the financial source for these big projects. If we take as a reference point the level of hydrocarbons exports in 1974 which totaled 1.022 billion barrels of oil due to my administration's decreases in production, it means that about 260 million barrels were not exported in 1975 and 235 million barrels in 1976. That is a total savings in oil reserves of 495 million barrels, to which we would have to add another 285 million barrels for 1977.

This reduction meant the country did not receive $5.6 billion in 1975 and 1976 and another $3.2 billion in 1977. These additional funds in the Venezuelan investment fund would have precluded the need for any indebtedness. It would not have been necessary to make any budget reductions due to the current lack of adjustment in the oil market which has temporarily affected Venezuelan exports.

If we had acted that way, future generations would suffer irreparable damage. Oil will become scarce in the world and its price would continue to soar. Oil that is not sold today will be sold at much higher prices tomorrow. Furthermore, mankind's tragedy lies in the fact that hydrocarbons will be depleted before appropriate substitutes are found.

The important goals achieved during the past 4 years in health, education, employment, housing and the overall welfare of Venezuelans are the result of the special efforts and the bold policies fashioned in the fifth national plan.

The gross formation of fixed capital has taken place at an accumulative rate higher than 25 percent annually, going from 15.000 billion in 1974 to 23.700 billion in 1976 according to 1968 prices; while the investment-gross territorial product [producto territorial bruto] ratio rose from 25 to 36 percent durin those 2 years. This means that the part of the product earmarked for the replacement, modernization and expansion of the country's productive capability has increased considerably.

The capacity and need for public indebtedness cannot be judged without considering a new and vigorous reality: We are laying the groundwork for our country's economic sovereignty. At the same time, we are fulfilling the commitments to the member countries of the subregional Andean Pact regarding the treatment of foreign investments. Neither should we forget that the indeotedness includes the 4.874 billion in compensations paid to the transnational iron and petroleum companies when they were nationalized. We have also nationalized the electric companies of Maracay and Barquisimeto, a fact that also affects our need for public financing.

We Venezuelans must ask ourselves one question and answer it in order to better understand our nation's economic circumstances and our future. That question is: What is the present value of the assets of these companies? Was it poor business practice to acquire debts so that these companies could be controlled and run by the state? All the assets of these companies and the other state companies are today several times more valuable than they were when purchased or built. In bold, far-sighted and accelerated fashion we have been turning the financial assets that we received from the reevalution of hydrocarbons between 1974-1976, as well as those obtained through our good international credit, into tangible assets and into plants and equipment for our development, which worldwide inflation, particularly in the countries that supply us with capital goods, has made substantially more expensive.

There were other alternatives for easier financing. We could have opened our doors to foreign capital, as happened before and as is currently happening in other Latin American countries. The country would not have acquired debts but we would have impulsively acquired a debt of indefinite duration involving foreign investors at a high political cost while affecting the highest interests of our national economic sovereignty. We could also have done without the nationalizations and missed the chance to carry them out.

Let us hear several impressive figures: With an accumulated net average investment of 9.5 billion bolivares in the 60's, the transnational companies repatriated more than 1.75 billion bolivares per year in revenue. This represents a yield equivalent to about 29 percent over the net investment, without including the undistributed accumulated dividends which permitted capitalization within the companies themselves. This means that with a debt equivalent to little more than one-fourth of its current debt, and to 5 percent less than the debt incurred by the present administration, Venezuela had to pay international private capital for their investments in the country an amount at least 1.8 times the interest Venezuela is currently paying for this purpose. In 1977 that interest added up to 1.5 billion bolivares.

If from these strategic projects we will not obtain the necessary resources to satisfy our international economic obligations, and even more, if in this way we cannot free ourselves from the dangerous dependence on oil resources which can be exhausted in not much time, despite the promising outlook of the oil industry in our country, we cannot forget that our conventional oil reserves will soon be exhausted and those still to be explored and exploited in the Orinoco oil belt, which are not conventional, will be extracted at a much higher cost. This will greatly diminish the country's profits even if prices go up in the international markets.

I must now refer to oil, the fundamental source of our wealth. Some imbalances in the international oil market have caused a drop in production and sales abroad, which raises the possibility that we might not be able to meet in 1978 the average 2.2 million barrels daily production goal set in the nation's fifth plan. The national economy may not receive the equivalent of 50,000 to 100,000 barrels per day.

This is not such a serious problem that it will affect the state's plans and projects or obstruct private enterprise. However, it is basically wise that we cut the nation's budget in order to compensate for a possible decrease in our oil revenues. Although provisions were taken in previous years to face situations as the one we are up against now, I am in a position to say that our budget will balance despite the termporary and small drop in our oil sales.

Without expressing excessive optimism, we must not be alarmed either, although we must remain constantly alert, over the situation of the international petroleum market. The petroleum we do not sell today will be in reserve, stored for tomorrow. This is a scarce and vital product for the world and, of course, for our country. Its price will increase, but if for the moment the present circumstance persists in the market, we will have to adjust the 1979 budget but without affecting the plans and projects now being implemented.

Fortunately, during the coming year large state-owned and private concerns will be in full production. This will to a large extent compensate for the possible decrease in foreign exchange brought in by petroleum sales. The growing income from the domestic sector will also contribute new income for the national treasury. I can state, without fear of error, that the petroleum situation in the world has not changed. It is the same situation which showed up dramatically at beginning of this decade and at the end of the previous decade. The energy crisis continues to threaten the future of mankind. No substitute for petroleum has been discovered nor is there any in sight. The new petroleum discoveries cannot compensate for the shortages anticipated in the near future. The situation deteriorates because the large industrialized countries have been unable to decrease their annual consumption rates.

I am optimistic regarding the attitude taken by OPEC toward the existing situation. The 50th OPEC conference held in Caravalleda on 20 December 1977 is clear evidence of the organization's unity, even though on that occasion no decision was taken on a price increase. The only matter open to consideration was the proposal I made during the inaugural speech of basic solidarity with the Third World and the program concepts proclaimed during the Algiers summit conference in March 1975 in which Venezuela took an active part.

The various pressures and maneuvers against its members have been counteracted with dignity and courage by each and every OPEC member. The inevitable problems stemming from causes are countered with a spirit of unity which has successfully met the test on various occasions.

PETROVEN's second year of operations confirms the optimism with which we greeted the first year of operation of the nationalized concerns. At the beginning of its third year, PETROVEN feels more stable and confident, capable of confronting any technological, administrative or market problems which may arise.

The Venezuelan Technological Petroleum Institute has already begun operations and is advancing with sure steps in research on mastering technologies needed to decrease our dependency. The experience of 2 years after the main problems of liquidity which followed nationalization has allowed PETROVEN to open new markets and to advance to direct marketing of growing volumes of petroleum. Together with this experience came a review of the technology contracts signed with the concessionaires and we have begun a process of merging concerns which, because of wise and basic caution, were kept operating just as they had been received. Technology contracts were canceled with Chevron, Texaco and Mobil. Clauses were improved in contracts with Exxon, Shell and Gulf and its cost was reduced by 5 percent. The contract with Phillips was renegotiated in order to transfer it to petrochemicals. Talks were established with English and French concerns for possible sources of technological support. This year, we shall make a comparative study of the technology contracts still in effect with other producing countries.

Regarding the petroleum market and our situation as a country that imports goods in considerable quantity, we are aware of the dollar situation. This monetary symbol is strongly related to our financial system and the structure of our international markets both for imports and exports.

The state's specialized financial and monetary organizations have closely followed the dollar's evolution. So far we have not considered it prudent to make important changes in the existing policy even though we have taken measures so that the general structure of our international reserves and investments of foreign currencies by the Venezuelan investment fund assure us adequate protection mechanisms against sharp fluctuations on the international monetary markets. The OPEC countries are also studying this problem in regard to the Gabon decision on special drawing rights.

During this past year the government continued with greater force its dynamic activity in international policy and in compliance with the vital commitments acquired within the framework of Latin American integration and the Andean Pact, as well as in the Third World with its active participation in the debates and decisions of the Group of 77. Included within the context of the OPEC policy is the North-South Paris conference. The closing ministerial meeting of this conference had been set for December 1976 but did not take place until June 1977 because of the change of administration in the United States.

The dialog now begun at the Paris conference has returned to its natural environment--the United Nations. The 32d General Assembly has created a plenary committee open to all member states, which will serve as a focal point for the efforts being made in connection with the North-South issue, and has decided to convoke an extraordinary General Assembly meeting of the world organization in 1980 to revaluate the situation.

In short, the results obtained so far from the Paris dialog are their own responsibilities to help resolve the world's serious and troublesome current situation, but the large nations refused to organize the interdependence of all on a just, equitable and therefore durable basis.

My official visit to the Perisan-Arabian Gulf countries--Qatar, Kuwait, Saudi Arabia, Iran, Iraq, and the United Arab Emirates--at a crucial and difficult time within OPEC, was an event of singular importance. The beneficial results of my visit are already known. Nevertheless, the heart of the matter is the expansion and consolidation of the relations between Venezuela and the OPEC countries.

My official visit to the United States at President Carter's invitation was equally relevant. There, a broad and extensive agenda was fulfilled. It included talks important for our country and for a better understanding of Latin American integration and of Third World problems with the U.S. President and his highest-ranking advisers, as well as with the most important U.S. social communications media and the most representative sectors of its economy.

My official visit to Brasilia was a development of great importance for the future relations of Venezuela and Brazil. On that occasion, very important agreements were signed, the first contacts were made regarding subsequent discussions in connection with the Amazon Pact and a better understanding between the two governments regarding the importance of the Latin American Economic System (SELA) was established.

On 6 August 1977 I met in Bogota with the chiefs of state of Colombia, Costa Rica and Mexico and with the chiefs of government of Panama and Jamaica in an attempt to strengthen through our active solidarity the discussions furthered by the Panamanian and U.S. governments in connection with the new calal treaties. Aside from this point, the Bogota declaration includes very important concepts on making of Latin America a nuclear-free region, the peaceful solution of the problem posed by Belize's independence and a new international economic order.

The relations with our neighbors were strengthened and expanded in 1977. My administration has been bent on defining a vigorous international policy which, although this policy is aimed at highly ambitious global objectives in the struggle for a new international economic order and the contribution that our fatherland can make to world peace on the basis of international justice, also gives particular attention to all that helps make more cordial, fraternal and close relations between us and our neighboring countries--Brazil, Colombia, Guyana, Surinam and the Caribbean countries.

We have developed and expanded diplomatic and economic relations with other countries, including socialist nations. We have achieved the maintenance and stregthening of action within international organizations, playing very important roles in the efforts for the establishment of a new international economic order and in the actions to develop the countless possibilities of the Latin American economic system to speed up Latin American integration.

During 1977, Argentine President Lt Gen Jorge Rafael Videla and Bolivian President Gen Hugo Banzer Suarez visited Venezuela. Likewise, Their Majesties King of Spain Juan Carlos and Queen Sophia, Senegalese President Leopold Senghor and Jamaican Prime Minister Michael Manley visited our country.

Venezuela's dynamic international activity permitted our country's voice to be well heard in the most important forums of the various international organizations such as the UN Security Council. In many of them, the country filled important positions, representing in many cases the Third World countries.

On the one hand, the circumstance of being an OPEC member and, on the other, my objective of strengthening Venezuela's universal outlook have influenced decisions which in other times might have been considered to be rash.

The government has firmly maintained its position in defense of human rights. The OAS meeting in Grenada was a favorable opportunity for an indepth debate on the situation of human rights in the hemisphere. Despite the current circumstances in Latin America, the results which were obtained are a step forward for the thesis concerning the supranational defense and vigilance of human rights.

In the dramatic situation being experienced by the Nicaraguan people, it has also been our country's voice which has been raised to request the presence of the Inter-American Human Rights Commission and to denounce and call attention to the tragic events in that sister country. [applause]

The strengthening of the OAS as an institution, regardless of the delicate situation it is experiencing because of its current composition, has been a well-defined objective of my government. It is the forum where we can debate our problems disagreements and affinities with the United States and it is also in the OAS where the United States has obligations to Latin America as a signatory of the OAS Charter.

In this presentation, I made the suggestion that the OAS headquarters be used as the site where the American chiefs of state would witness the signing of the new Panama Canal treaties between President Jimmy Carter and Chief of Government Omar Torrijos. That presence sought to express beyond the level of governments the solidarity of all Latin American peoples with Panama in its long and patient struggle to recover full sovereignty over all its territory.

The open support we have given to the new Panama Canal treaties also led us to take advantage of the visits to Venezuela of both Democratic and Republican U.S. Senate leaders to tell them frankly and with a friendly attitude toward the United States of the grave crisis which would affect hemispheric relations if the treaties were rejected and of the deep concern felt by us, Lating American democrats, who urge broad and close relations with the United States and to whom President Carter's policy has opened magnificent prospects.

The Andean Pact is making definite headway. Its progress includes the signing of Decision 120, the sectorial automotive development program. Venezuela has taken a decisive step with the success of these difficult negotiations, contributing to the search for adequate formulas to reconcile differing positions.

As a Latin American nation in an area free of nuclear arms, Venezuela is participating in the efforts made in international forums to stop the rash arms race and to reduce the immense human and material resources dedicated by nations to the purchase, production and development of increasingly more complex systems and mechanisms of destruction. In this sense, our nation's stand has been to frankly expose the ghastly consequences of and manifest incompatibility between the arms race and the people's economic and social development, especially concerning peace, security and the general welfare.

It was also considered indispensable to conduct a worldwide information campaign which will develop an international attitude of rejection and condemnation of arms buildups.

The year 1978 will be another happy year in the positive process of our complete development. Once more I ask Venezuelans and foreigners residing in our fatherland, without distinctions of any kind, to join together in continuing this bold process of development.

In the next few months we will experience in our country the campaign which will lead us to the December elections. For the fifth time since we recovered our democratic status in 1958, the Venezuelan people will fully exercise their rights as citizens to choose the top authorities of the republic. I must be emphatic, specific and concrete in proclaiming and guaranteeing the government's impartiality in this electoral tournament. I will maintain the most zealous respect for the constitution and our laws. The total sum of citizens, to whom this time are added more than 1 million voters, will be able to express itself with the fullest freedom as is customary, protected by the armed forces. The supreme electoral vote counting process will have the support and backing of the executive branch.

Venezuelan women and men: The supreme ennoblement of the fatherland, the preservation of its system of liberty and rights, social justice for all, cultural, ethical and economic development and international solidarity with preferential attention to our most immediate areas of action are the main banners under which our government has advanced. Let us continue. [applause]

VENEZUELA TO PROMOTE BILATERAL PETROLEUM SALES

PA121836Y Madrid EFE in Spanish 1639 GMT 12 Mar 78 PA

[Text] Caracas, 12 Mar (EFE)--Venezuela will increase its efforts to sell its petroleum through government-to-government transactions, President Carlos Andres Perez has told the local press. President Perez, who is making a weekend tour of several cities in the country's interior, said that there are good prospects for marketing Venezuela's petroleum through government-to-government agreements not only with the United States but with other countries. He explained that his government has already reached such an agreement with the Soviet Union and hopes to conclude similar agreements with the U.S. and Canadian governments.

He said that Venezuela's current relations with the transnational companies are normal, stressing that it is the Venezuelan state which drafts the programs and proposes and decides petroleum prices. He explained that the production and sale of medium and light petroleum is not encountering problems and that they are even in short supply. The problem, he added, is with the heavy crudes. In order to solve the problem, the country has to develop a new marketing capacity and a new refining system to obtain byproducts which are of high value and can be marketed easily. This has already begun with processing changes in the petrochemical industry.

He also announced that as a result of the recent trip of Energy and Mines Minister Valentin Hernandez Acosta to the United States, a permanent system of consultations at the technical and ministerial level has been established with the United States which will permit the two countries to reach agreement regarding petroleum matters.

'INFORMAL' OPEC MEETING TO BE HELD 3 APRIL

PA092346Y Paris AFP in English 2336 GMT 9 Mar 78 PA

[Text] Caracas, Mar 9 (AFP)--Venezuelan Minister of Energy and Mines Valentin Hernandez Acosta confirmed here today that an informal meeting of the Organization of Petroleum Exporting Countries (OPEC) would be held in Geneva on April 3. He said the agenda had not been drawn up, but added that various matters concerning OPEC member-countries would be discussed.

BRIEFS

AMBASSADOR TO SPAIN--Madrid, 12 Mar (EFE)--Ernesto Santander, new Venezuelan ambassador to Spain, arrived in Madrid this morning. [Madrid EFE in Spanish 1213 GMT 12 Mar 78 PA]

LA ESTRELLA DE PANAMA EXPRESSES CONFIDENCE IN RATIFICATION

PA102206Y Panama City LA ESTRELLA DE PANAMA in Spanish 9 Mar 78 p 4 PA

[Editorial: "The Light at the End of the Tunnel"]

[Text] Despite the delaying and obstructionist tactics used by the senators opposed to ratification of the Torrijos-Carter treaties, the result of the final vote is almost a fact. This conviction is reached especially in view of the fact that the arguments--if they can be called arguments--used by these senators are so weak, so groundless and unsubstantiated that they convince nobody. And if these senators utter only foolishness as they have been doing, undoubtedly it is because they have nothing stronger with which to bolster their position. If they had been able to show in any way that the ratification of the treaties would cause some damage to the United States, that the canal's security and protection would be weakened or that there would be an anti-U.S. feeling in Panama, they would have done so already. If they had been able to prove this they would have won the battle and would have hurried the voting--instead of obstructing it as they have been doing--in order to obtain the senators' rejection of the treaties.

That the treaties will be ratified is certain, we repeat. The only thing that could happen is that the final and definitive vote could be delayed if the Senate leadership does not move to stop the oratorical excesses of some senators who are usually addressing the walls and empty benches since the number of their listeners is small. It is true that every senator has the right to speak as long as he wants, even though it becomes evident that he is abusing this right. But it is also permitted under parliamentary practice to stop such abuses by presenting a motion at a given moment in which the Senate declares that it is sufficiently informed on the subject being debated--the treaties in this case--and that a vote can be made.

We all know, including these senators, that the 1903 treaty with all its revisions and additions is definitely dead and consigned forever to the archives of history. For this reason, to delay ratification of the new treaties leads only to prolongation of an ambiguous and clearly abnormal situation which leads to nothing and helps nobody.

BRIEFS

NATIONAL BANK GROWTH--The National Bank of Panama has reported that its assets increased from 106.7 million balboas at the end of 1970 to 483 million balboas on 31 December 1977. The largest increase occurred in bank deposits, which increased from 2 million balboas in 1970 to 90.5 million balboas in 1978. Loans outstanding increased from 72.9 million balboas to 292.5 million balboas over the same 8-year period. [Panama City Televisora Nacional in Spanish 2315 GMT 6 Mar 78 PA]

PUBLIC WORKS BUDGET--The 1978 public works budget includes allocations of 17.1 million balboas for the maintenance of highways, streets and avenues, including roads in the Darien Gap; 9.9 million balboas for civil aeronautics; 1 million balboas for the port authority; and 600,000 balboas for the Chiriqui railroad. [Panama City Domestic Service in Spanish 1100 GMT 10 Mar 78 PA]

SOCIAL SECURITY AGREEMENT WITH SPAIN--The Panamanian and Spanish governments have signed the multilateral Spanish-American social security agreement. The administrative agreement establishes the right to medical services in the Spanish and Panamanian social security systems for citizens of the two countries. Panamanian Social Security Institute Director Dr Jorge Abadia signed for Panama. [Panama City Circuito RPC Television in Spanish 2300 GMT 9 Mar 78 PA]

EL SALVADOR

PRESIDENT ROMERO ATTRIBUTES FIRES TO TERRORISTS

PA110341Y Panama City ACAN in Spanish 1641 GMT 10 Mar 78 PA

[Text] San Salvador, 10 Mar (ACAN-EFE)--According to President Gen Carlos Humberto Romero, there is substantial evidence to attribute the recent fires in downtown San Salvador and in other cities to subversive forces. He made the statement to representatives of the Salvadoran businessmen and industrialists association, the Chamber of Commerce and other small business groups which met with him yesterday. General Romero expressed his concern over the outbreak of arson which was unleashed on 24 December and which has caused many millions of dollars in losses.

Romero said that this is a new type of action by "insurgent forces" which are trying to disrupt public order and to create problems for the government so that its economic and social development projects will not be carried out. Therefore, this will result in a loss of support for the terrorists' goals.

The president said that the terrorists are using psychological warfare which starts with calls made from public telephones, followed by direct personal threats and concluding with the burning of homes and businesses. He added that all of the aforementioned tactics create first a state of nervousness for the threatened families and then, when faced with the accomplished fact, it gives way to a situation of uncertainty and fear which the extremists use to spread rumors and accusations. General Romero urged the businessmen and industrialists to join him in work meetings being held with public security chiefs, San Salvador Mayor Jose Napoleon Gomez and other officials who are working on the problem.

FPL TAKES CREDIT FOR RECENT ATTACKS

PA101212Y Buenos Aires LATIN in Spanish 0255 GMT 10 Mar 78 PA

[Text] San Salvador, 9 Mar (LATIN)--The ultraleftist Popular Liberation Forces (FPL) Organization today took credit for a number of attempts and attacks against civilian authorities during the past few days. An FPL communique indicated that those acts of violence are an expression of rejection of the electoral process which ends on Sunday with the election of mayors throughout the country and 54 deputies to the Legislative Assembly.

Almost simultaneously, an unidentified terrorist group set fire to the municipal building of El Paisnal, 39 km from San Salvador. A high-ranking government spokesman charged yesterday that terrorist groups have unleashed a campaign aimed at sabotaging the elections through attacks on individuals. A few hours earlier, an armed group had attacked a police vehicle carrying two extremists. The two extremists were freed after one guard was killed and another wounded.

12 MARCH ELECTIONS HELD SMOOTHLY DESPITE INCIDENTS

PA130403Y Panama City ACAN in Spanish 0051 GMT 13 Mar 78 PA

[Excerpts] San Salvador, 12 Mar (ACAN-EFE)--The elections for 54 deputies and 261 municipal councils in El Salvador moved along today without any difficulties other than the sabotage of some electrical installations. Only the government's National Conciliation Party [PCN] and the rightist Salvadoran Popular Party [PPS] participated.

President Gen Carlos Humberto Romero said that the Salvadoran people have shown a high spirit of civic duty in today's elections and that now, more than ever, he is ready to pursue the well-being of all. The president made these remarks upon his arrival at the international fair grounds where the capital's 408 polling booths were located.

There were reports of acts of sabotage against several electrical substations in the interior and in the capital today which resulted in blackouts in certain places. However, the technicians of the Lempa River executive hydroelectric commission immediately repaired the damage and restored electrical service to the country.

The "great national radio network," in which all Salvadoran broadcasting stations are integrated, has been carrying music and reports from all parts of the country emphasizing the orderly development of today's elections and the large participation of voters.

GUATEMALA

LUCAS PROCLAIMED WINNER OF PRESIDENTIAL ELECTIONS

PA111828Y Paris AFP in Spanish 1823 GMT 11 Mar 78 PA

[Text] Guatemala City, 11 Mar (AFP)--Gen Romeo Lucas was today proclaimed winner of the Guatemalan presidential elections. The proclamation was made by the National Electoral Council, which specified that Lucas had won the presidency by a margin of more than 41,000 votes over his immediate follower, Col Enrique Peralta Azurdia.

LOS AMATES MAYOR-ELECT KILLED, MLN REPORTS

PA110120Y Panama City ACAN in Spanish 1952 GMT 10 Mar 78 PA

[Text] Guatemala City, 10 Mar (ACAN-EFE)--Herminio Morales Cordon, who was elected mayor of Los Amates, Izabal Department, was killed today by unidentified persons, his party, the anticommunist National Liberation Movement [MLN], reported. It said that Morales Cordon, who was elected mayor in last Sunday's elections, was traveling on the highway near Los Amates to the Atlantic side when he was shot by men who were in another car. The men used submachine guns.

According to the MLN, this crime is part of "a terrorist plot against MLN members in rural areas in support of the official fraud which seeks to take away from Col Enrique Peralta Azurdia his victory in the 5 March presidential elections."

"We are not going to allow any more MLN members to be killed; we are prepared to fight against the electoral fraud," MLN national leader Mario Sandoval Alarcon said.

CLANDESTINE EXTREME RIGHTIST GROUP FORMED

PA122142Y Buenos Aires LATIN in Spanish 1713 GMT 12 Mar 78 PA

[By Antonio Monzon]

[Excerpt] Guatemala City, 13 [as received] Mar (LATIN)--A clandestine, extreme rightist organization that is radically anti-Marxist and characterized by an extremely conservative nationalism has emerged on the grayish Guatemalan political scene. It has announced a "war of insurrection" in view of the "frustration of the presidential elections."

The self-styled Guatemalan Labor Militias [Milicias Obreras Guatemaltecas--MOG] appeared on the scene yesterday when mass media offices received an underground bulletin on which a crossed machinegun and shovel and the letters MOG, appearing directly underneath, were printed.

According to the communique, which brings to mind terrorist organizations such as the National Anticommunist Movement, the anticommunist Council of Guatemala and others which sowed death in the country in the 1960's, the recently created clandestine organization "announces its commitment to an insurrectional war." It issues a call to the armed forces to join efforts with it in order to rid Guatemala forever "of those responsible for the corruption and misery, which have been the symbols used by international communism in its efforts to gain power in our country."

The lengthy communique gave further reasons for mistrust on the part of Guatemalan citizens who have viewed with alarm and repudiation the postelection activities of the parties and candidates who participated in last Sunday's elections, the results of which are still unknown.

NICARAGUA

SOMOZA COMMENTS ON CHAMORRO CASE, OTHER TOPICS

PA1102417 Buenos Aires LATIN in Spanish 2325 GMT 10 Mar 78 PA

[By Agustin Fuentes]

[Excerpts] Managua, 13 Mar (LATIN)--President Anastasio Somosa said today that, as a result of the assassinations of opposition newsman Pedro Joaquin Chamorro and Gen Reinaldo Perez Vega during the past 2 months, the political situation in Nicaragua is dangerously deteriorating into a state of crime. He asked for the cooperation of the press and the citizenry "to prevent more bloodshed."

Chamorro was killed 2 months ago today. General Perez was killed 2 days ago.

"Never before have there been such crimes in Nicaragua," Somoza said during a more than 2-hour press conference at the military club in Managua. "I am stricken with grief," he said regarding the assassination of General Perez, who was killed by a Sandinist Front squad on Wednesday night. "I condemn that crime and hope that it will not be repeated," he said.

When a radio newsman asked him if he did not believe that his resignation would help solve the country's violent situation, Somoza said: "I swore to fulfill the constitution, and I believe that the fulfillment of what the constitution establishes is the best thing for the country. My resignation would not help anything."

Another radio newsman asked Somoza about an article written by Ricardo Ritter of the LATIN news agency. He quoted Ritter, who said that "civil war is inevitable" and that "the country is heading toward chaos." Somoza replied that he believes that "Mr Ritter is an expert in lack of knowledge of Nicaragua." "He is an Argentine," another newsman commented. "Oh, he is an Argentine?" Somoza said. "Then what he wants is for the bull to gore me."

Referring to the measures that the authorities are taking regarding the [illegible] the masses of the second month of Chamorro's death, he said that "some persons want to use the masses for illegal purposes" and, therefore, the government has to take measures.

Somoza said that relations between his government and the Carter government "are normal." "There are people who had hoped that with President Carter's arrival in office the U.S. Government was going to come here to overthrow the Nicaraguan Liberal government. Since they now realize that things are not that way, that the United States cannot intervene in the domestic affairs of another country and that we are a responsible government which does not adopt attitudes such as rejecting military and economic aid, they have turned against the U.S. Government, expressing the worst criticism."

A Mexican newsman asked him if it was true that the U.S. Government is pressuring him to adopt a specific, reformist attitude in order to decrease the pressure on the Washington government by the U.S. news media. Somoza replied: "It is not true. I am surprised that you, being Mexican, would ask me that question. We are independent."

Regarding the Sandinist guerrilla group, he said that part of it had come into the cities, "and we are controlling it." Asked if he would hold a dialog with the Sandinist National Liberation Front [FSLN], he said that he is open to dialog, but that "those who are at war cannot dialog."

Regarding the Inter-American Press Association [IAPA] statement that there is no freedom of the press in Nicaragua, Somoza said: "The IAPA is prejudiced against Nicaragua because, if what you read in the Nicaraguan newspapers and what is broadcast is not freedom of the press, then I do not know what freedom is."

Continuing on the subject of press freedom, he said that he had reprimanded Managua Police Chief Col Alesio Gutierrez for having committed "excesses" in breaking up a demonstration of newsmen on Nicaraguan newsmen's day, 1 March, while they were placing a floral wreath at the site where Chamorro was killed. "I have always given instructions to the police and will continue to do this so that they will act with moderation and prudence when they neutralize acts of violence."

A newsman suggested that an "amnesty" be issued for the radio newscasters who are being prosecuted for violating the radio code. Somoza answered that he would be in agreement "as long as the radio newsmen would show willingness to mend their ways and stop violating the law."

Referring to economic affairs, Somoza announced that 1978-79 coffee production in Nicaragua is estimated at 1.4 million quintals, 10 percent more than the previous year. He said that in 1978 his government will reach the goal of a $1,000 per capita income for Nicaraguans. He also reported that the soundness of the cordoba is reinforced by reserves of $140 million at this time. The balance of international payments is favorable to the country, "particularly if one bears in mind that with the recent strike the sale of imported luxury items was reduced, which produced a great savings in foreign exchange for the country."

Regarding violations of university autonomy by soldiers who have opened fire against university installations and killed two students, Somoza said that "autonomy has been used to fire machineguns and rifles at the National Guard when its members pass through the street in front of the university; thus, the National Guard had to act to maintain order."

Asked if it is true that there are disagreements among his family, Somoza said that "you could say so if you take into account that Ramiro Sacasa Guerrero, who is now in the opposition, is a relative of mine."

He announced that even if the Nicaraguan Conservative Party abstains from participating in the congressional debate on the constitutional reforms, the Liberal Party is ready to carry them forward in order to guarantee the principle of political pluralism so that all ideologies, even communism, will be able to participate in the electoral process.

He explained that the electoral law would not be made part of the constitution so that the way would be open for its modification if a dialog with the opposition occurs later. "If it is included in the constitution, a reform would be very difficult because the constitution would have to be amended again, and two legislative periods are needed for that," he added.

Somoza said that he will implement the social reforms he announced in his 26 February speech. The reforms include the Christmas bonus for workers; 30-day annual vacations; extension of social security to rural workers, domestic workers and the families of National Guardsmen; a social service law for the job stability of public workers, and reform of the labor code so that unions can be organized without the prior approval of the state.

Commission on Chamorro Investigation

PA101948Y Panama City ACAN in Spanish 1913 GMT 10 Mar 78 PA

[Excerpts] Managua, 10 Mar (ACAN-EFE)--President Anastasio Somoza said today that he has ordered Government Minister Jose Anotonio Mora to create a legal commission to study the investigation of the assassination of opposition newsman Pedro Joaquin Chamorro. Somoza asked newsmen during a news conference here today to follow the performance of the legal commission that will study the investigation and determine if there are any legal loopholes [lagunas]. "It will determine if the investigation into the death of Dr Chamorro has been conducted properly and, if not, then we will comply with the legal requirements."

Somoza recalled that he asked the Inter-American Press Association (IAPA), which recently held a meeting in Cancun, Mexico, to appoint a juriest to come to Nicaragua to study the investigation of the murder of Dr Chamorro, who was Somoza's severest critic. "Unfortunately," the Nicaraguan president said, "the statutes of the IAPA did not permit the organization to accept the invitation."

Answering a question from a Mexican newsman at the news conference, Somoza said that "Dr Chamorro always became upset whenever I said that he was the best collaborator of my government because he did it by pointing out errors."

Army Structure, Opposition Party

PA110336Y Panama City ACAN in Spanish 0220 GMT 11 Mar 78 PA

[By Filadelfio Martinez]

[Excerpts] Managua, 10 Mar (ACAN-EFE)--During a press conference today, President Anastasio Somoza said he is willing to revise the current structure of the Nicaraguan National Guard. "We can discuss it," the 52-year-old general said in answer to a question on changing the structure of the army.

The president noted that the National Guard is the republic's only armed body and that it carries out a number of functions, including those of the police. "All bodies are subject to revision. I do not oppose a review of anything that is advisable. We can discuss it," he said. However, he subsequently defended the current structure of the army, indicating that the organization has been operating since 1929 and has been obtaining "good results," since "we spend only 10 percent of the nation's total budget on it." "That does not occur in other nations where more than 40 percent of the budget is spent on military expenses," he added.

The press conference was held on the first floor of the military club. It was said that Somoza seemed more receptive to difficult questions and that this time he let newsmen ask their questions freely. An example of this was shown when a newsman asked for his opinion on the position of "the 12" (a Nicaraguan group which harshly opposes Somoza from abroad) regarding the advisability of expropriating the properties of the Somoza family in Nicaragua. "I believe that those '12' are trying to harm me and my family," the general said, and then he started laughing.

He also showed his good humor when he was asked to comment on the wave of rumors in the country regarding a split in the army, the bad economic situation and more violence. "I think we have to get used to something new. In the morning we will get up with NOVEDADES (newspaper owned by Somoza) reporting that we are at peace and in the afternoon LA PRENSA (opposition newspaper) will be reporting that the country is burning," Somoza said.

General Somoza had harsh words for the Nicaraguan Conservative Party, the only legal opposition group. He said that "the Conservative Party will be satisfied only if power is turned over to it on a silver platter." Somoza said that the Conservatives initially praised President Jimmy Carter because they believed that he "was going to overthrow the Somozas." "But now that the work which they had to do has not been done for them, they are crying like children," Somoza added. This was his reply to the report that Conservative deputies have refused to join a congressional commission on the partial reforms to the constitution proposed by President Somoza.

He also commented on the position of opposition parties and groups which have rejected the proposed partial reforms to the constitution. Defending his reforms, General Somoza said that neither he nor his party are setting a trap for the opposition. "My past record is good; my objectives are sincere," he said.

He warned that he cannot hold a dialog with the Sandinist National Liberation Front [FSLN], because "that group is at war." Regarding the clandestine organization, he said that it stays in the jungle for a time and then comes to the city. Afterward, it goes to the mountains. Now it is operating as an urban guerrilla group. "But we have it under control," he added. He said that this has been a pattern which has been repeated for the past 17 years. He blamed the government of Fidel Castro as the only one which gives support to the Sandinist Front.

Regarding the Nicaraguan Government's position on accepting the arrival of an OAS human rights commission, General Somoza said that "for the time being the climate for the visit does not exist, because we are overcoming a provoked violence."

FOREIGN MINISTER MALMIERCA BEGINS AFRICA TOUR

Arrives in Madrid

FL101740Y Havana Domestic Service in Spanish 1700 GMT 10 Mar 78 FL

[Text] Madrid--Cuban Foreign Minister Isidoro Malmierca arrived in this capital early this morning on the first stop on his tour of several African and Middle Eastern countries. He was welcomed at Barajas Airport by his Spanish counterpart, Marcelino Oreja, and Cuban Ambassador Carlos Alfara, along with other officials from the Spanish Foreign Ministry and Cuban mission in Madrid.

Minister Orejas gave a breakfast for the Cuban delegation at the Spanish Foreign Ministry, following a broad exchange of points of view on subjects of mutual interest which took place in a cordial atmosphere.

Makes Beirut Stopover

PA120309Y Havana International Service in Spanish 0000 GMT 12 Mar 78 PA

[Text] Cuban Foreign Minister Isidoro Malmierca made a 2-hour stopover today in Beirut, the Lebanese capital, while enroute to Democratic Yemen, where he is scheduled to make an official visit.

Malmierca is thus beginning a tour of several African and Middle East countries.

Activities in PDRY

For reportage on Foreign Minister Malmierca's activities in the People's Democratic Republic of Yemen, see the Arabian Peninsula section of the 13 March Middle East & North Africa DAILY REPORT and subsequent issues.

20TH ANNIVERSARY OF SECOND EASTERN FRONT CELEBRATED

Honor Guard at Cementary

FL110225Y Havana Domestic Television Service in Spanish 0100 GMT 11 Mar 78 FL

[Text] Official ceremonies marking the 20th anniversary of the Frank Pais Second Eastern Front began today in Santiago de Cuba Province with a guard of honor at the Santa Efigenia Cemetery's resting place for heroes who fell in combat. The flower wreaths sent by Commander in Chief Fidel Castro; Army Gen Raul Castro; Politburo, Central Committee and Council of State and Council of Ministers were placed at the main building of the cemetery.

The last guard of honor was mounted by Commander of the Revolution Juan Almeida Bosque and Jose Ramon Machado Ventura, both members of the PCC Politburo, and Central Committee members Jose Ramon Balaquer, Belarmino Castilla, Vilma Espin, Antonio Enrique Lusson and Rene de Los Santos. Immediately after the last guard of honor, the remains were taken to the mausoleum built at the Second Front.

Raul Castro Speech

FL111850Y Havana Domestic Service in Spanish 1508 GMT 11 Mar 78 FL

[Speech by Army Gen Raul Castro, second secretary of the PCC Central Committee, at main event marking 20th anniversary of Frank Pais Second Eastern Front and inaugurating mausoleum for martyrs held at municipality of Second Front, Santiago de Cuba Province--live]

[Text] Comrades of the PCC Politburo and Central Committee, relatives of martyrs who fell on the Second Front, combatants of the rebel army, comrades who participated in clandestine activities, peasants and agricultural workers of the Second Front, dear comrades:

In a few hours, at exactly 1600 today, 20 years will have elapsed since the arrival of the Frank Pais column No 6 in the Piloto del Medio area, north of San Luis municipality--the first camp, which eventually covered more than 12,000 square kms, to be used as headquarters by the Second Eastern Front. In this manner ended 11 days of the first phase of the mission--which began at the Sierra Maestra--assigned to us by the founder and commander in chief of the rebel army, Comrade Fidel Castro. [applause]

I will always remember the occasion in which Comrade Fidel talked to me about the strategy that should be followed throughout the revolutionary war. It took place in December 1957 at a location known as Balcon de la Habanita, when the Jose Marti column No 1 was conducting combat operations between Pilon and Mazanillo. The commander in chief explained to me how we would have to create new columns as soon as the Sierra Maestra had been consolidated and, among other actions, to send one of them to the area of Sierra Cristal, another to the east of the Sierra Maestra near Santiago de Cuba, another to the central region of the country and another to Pinar del Rio. At such an early date, Comrade Fidel had already prepared a plan on the development of the armed rebellion--which included the formation of columns and the progressive expansion of the war of liberation to the extreme western point of the country--in close coordination with the clandestine actions and the mass struggle.

I must admit that I was awed by his audacity and foresight. When I heard for the first time the plans that Fidel had for the future as he anticipated the struggle itself would require, I was not able to conceive how his plans could be executed, above all, how the invasion toward the center and western parts of the country would be conducted. A few months later, beloved Comrade Juan Almeida and I [applause] were assigned the command of columns Nos 3 and 6 respectively, two matched columns, as later on were those of Camilo and Che. [applause] Almeida fulfilled with proverbial loyalty, efficiency and spirit of sacrifice the mission of creating the Third Front and, subsequently, tightened the siege around Santiago de Cuba.

Che and Camilo carried out the immortal feat of the invasion, joining with the revolutionary forces fighting in the central region and stepping up the development of the war. Today we have no doubt that, had it been necessary, Camilo's column would have gone all the way to Mantua as the Mambi forces of Antonio Maceo did. [applause]

As we recall today, the creation of the Frank Pais Second Eastern Front, the bright and tired faces of those 77 comrades--only 53 of them well armed--who carried out the march, comes to memory. I can see them and those who joined the march, sweating, with blistered feet after a long hike without rest, absolutely convinced of the justness and triumph of the cause they had embraced. Today, 20 years later, our greatest satisfaction on a day as memorable as this is to observe how the revolution for which we were fighting then is now nearing its 20th anniversary, from which we are separated by just 9 months, the exact amount of time that the campaign of the Second Eastern Front lasted.

All these events have now been recorded in the history of our people, but not in the written history because it is necessary to admit with a certain degree of shame--as we told a numerous group of the Second Front combatants with whom we met last September--that we were able to make history but to date we have been incapable of writing it. [applause] That is a debt and a commitment that we owe the fallen comrades, the present and future generations of Cubans, and the national liberation movement. Such a commitment demands that we be consistent and strict in the evaluation of our actions without diluting the exact dimension of the events in which we played leading roles and by understanding that these actions were an episode in the continuity of the process that was begun by our predecessors in the field of battle itself where we fought.

The mountains and valleys of this region, its forests and rivers, witnessed the resistance against the colonialists headed by Hatuey and Guama, how the communities of Africans proliferated when they opted for the free life of the fugitive slaves, confronting the risk of persecution, torture and death. During the three wars of independence, noted Mambi chiefs such as Generalissimo Maximo Gomez, Antonio Jose Maceo, Guillermo Moncada and Flor Crombet, among many others, throughout the area of the Second Front led numerous military feats which became the fatherland's forge and exemplary pioneer path which later became necessary and possible to win in battle once more. Events of great importance and of inexhaustible inspiration, such as the Baragua protest [applause]--the immortal act of honor and revolutionary intransigence which revealed the ideological stature and greatness of Antonio Maceo, whose centennial we will observe in just a few days, an example of behavior for revolutionary leaders and militants of the present and future--took place here. [applause]

Other events of extraordinary historic importance unfolded on this territory, such as the landing of Antonio Jose Maceo together with Flor Crombet at Duaba, and the feats of Marti and Gomez at Playitas, as well as the historic meeting of Marti, Gomez and Maceo at Mejorana. The pages of Marti's war diary make it possible for us to relive his path through this place together with the generalissimo, share his feelings and thoughts as they were aroused by nature and the men and as seen by the sensibility and political genius of the greatest of all Cubans.

During the period preceding the armed rebellion, the Realengo 18 was the highest symbol of the struggle for land, of the union of the Mambi tradition--embodied in Lino Alvarez [applause]--with the fighters of the social revolution, of the worker-peasant alliance in the face of latifundia and eviction. That combat tradition was alive in the hearts of the nation's men and women who had been exploited, oppressed and discriminated against over the years, in the hearts of peasants and agricultural workers, of the workers in sugar mills and mines, which explains the quick, generous and heroic response of those who made theirs and determinedly contributed to make a reality Fidel's brilliant idea of creating here the Second Eastern Front. [applause]

Those peasants shared with us the very little food they had, gave us shelter under the humble roof of their "bohios," cared for our wounded, washed our clothes. They voluntarily offered economic contributions to the front, alerted us on the enemy's movements, guided the troops through paths only known to them and, as exemplary disciples of Mariana Grajales, many mothers gave us their sons. [applause] Many of them offered to take up the weapon of the son who fell in combat and who we had just buried. [applause]

Out of the masses of peasants and workers of this region came many of the members of the six columns that were founded on the Second Front. Out of them emerged aduacious combatants and chiefs who distinguished themselves by their talent and courage. It was the fusion of those traditions with the concepts of the rebel army and the revolutionary unity that it presented which made it possible, in a relatively short period of time, to organize the masses to confront the hard and complex tasks of the war, to structure the services of vigilance and supply, to carry out a workers regional congress, to create committees of revolutionary peasants which multiplied and strengthened very rapidly, opening the way for the creation of the agrarian regional committee until it became the principal political support of the front, climaxing in the first peasant congress in arms, whose 20th anniversary will be observed on 21 September. [applause]

Likewise, these events explain the level of political-military and administrative organization achieved in 9 months. The realixation of nearly 250 military operations which inflicted some 2,000 casualties on the forces of tyranny, the educational and health services conducted, the application of the agrarian reform law promulgated by the Sierra Maestra general command and other projects of social benefit are the reasons why the Second Eastern Front forces were able to liberate all of what is today Guantanamo Province, one-third of Santiago de Cuba Province and half of Holguin Province. All this explains why the ranks of the Second Front were made up of cadres and combatants who were forged in the heat of the battle, beginning with the Granma landing and even before, and who were joined by proved militants of the labor movement and of the peasant struggles and new faces who revealed their extraordinary qualities in combat.

Thus, by virtue of the ideas repeatedly defended by Comrade Fidel that the Jose Marti column No 1 and the Sierra Maestra area, the bulwark of the revolution, be chosen for training the chiefs and the founding group of the columns which would be created at a later date, it was possible to give to the Second Front the benefits of experience, courage and will of the veterans of the Granma landing, combatants of the 30 November uprising in Santiago de Cuba, peasants and workers who had hardened their moral virtues, strengthened their convictions and developed their ability to resist, command and fight during the difficult months of the beginning of our training as guerrillas.

It would be impossible to mention on all their names, as it has been impossible, despite all efforts made, to have them all here today, absolutely all of those who were members of the 15 companies making up the 6 columns of the Second Front, of the air force, of the 7 departments that were created or of the sections of the central command. We remember each and every one of them with profound recognition, as well as those who helped us and the members of the clandestine movement--which operated in the towns and cities surrounding the front--who, at great risk to their lives, lent their services and fulfilled complex missions of all types which, in many cases, turned out to be decisive in the development of the operations. Allow me to point out in a very special manner the large number of women, above all, from Santiago de Cuba and Guantanamo [applause] who won our respect and admiration for the coolheadedness, discipline and courage displayed in helping to move combatants, ammunition, foodstuffs, medicine and messages. To all of you, dear comrades, loyal soldiers of the people's cause, heroes and heroines--anonymous in many instances--on behalf of Comrade Fidel, who represents all our people, I embrace you at this time [prolonged applause] with respect, love and gratitude.

I was thinking about you and many others like you when, at the time of the 20th anniversary of the assault on the Moncada barracks, I heard Comrade Fidel say that the Cuban people, especially the humble classes, have accompanied us on this long path. They were the propellant of our struggles. They played a true leading role in the revolutionary epic. They gave their best sons at the Moncada, on the Granma, in the Sierra, in the valley, in the [presidential] palace, on Goicuria [Street], on the Corintia [yacht], in Cienfuegos, at all battles waged against the tyranny, in the torture chambers and at the hands of the executioners, on the Escambray, at Playa Giron, in the struggle against the CIA and its agents, in the classrooms, as Benitez, in the literacy drive, as Ascunce, at the work centers producing for society or in other lands where they been called by the internationalist duty to lend their services. [applause]

When we cite those statements made by Comrade Fidel which exalt the extraordinary merits and high virtues of our people, the founding members of the rebel army, who together with thousands of their heirs and continuators are today far away from the fatherland fulfilling with honor the duty of helping other peoples who are struggling against the remainining vestiges of colonialism, or are heroically confronting the aggression of imperialism and the reactionary forces, are present in our consciousness and heart [applause], to them goes the emotional tribute of our admiration, the certainty that in the land of their birth their compatriots are making every effort to give that same spirit of courage, determination and victory to the tasks of socialist building. [applause]

Twenty years since the creation of the Frank Pais Second Eastern Front, this territory, like the rest of Cuba, constitutes an undeniable example of the profound social transformation being carried out by the revolution for the benefit of the working people. What did we find here 20 years ago? We found that the richest lands were owned by a group of latifundists and North American corporations, such as United Fruit, the West Indies, the Guantanamo sugar company and the Atlantic sugar company, which together owned several hundreds of thousands of hectares. We found that the nickel, iron, chrome and cobalt were being explited, without exception, by U.S. monopolies in accordance with the strategic interests of North American imperialism. We found that, out of the 18 sugar mills, 11 were owned by foreign enterprises, 9 of which were North American. We, of course, found the Guantanamo Yanqui base, a fruit of the evil U.S. intervention in 1898. Wherever we looked or moved to, everything was exploitation, hunger, poverty, illiteracy, unhealthy conditions, unemployment, latifundisma, eviction of peasants, spoilation, and everything had the stamp: Yanqui neocolonialism--Yanquis to the north, Yanquis to the south, Yanquis around us. The homicidal shrapnel leveling towns and communities, taking the lives of entire families, was Yanqui. The mentality of the henchmen serving as their executioners, foremen and informers was Yanqui. [applause]

I remember very clearly the two opportunities during the war when I toured virtually the entire front and lived very close to the tragedy that capitalism represented for the men, women and, particularly, for the children who lived on these mountains. Suffice it to say, just to cite one example, in 1957 that 80 percent of the children younger than 1 year of age who lived in this valley of Mayari Arriba, where we are today, died of gastroenteritis The ignominious past has been swept away forever and, with it, oppression, looting and and the humiliating Yanqui arrogance, the same arrogance with which some spokesmen of the U.S. Government attempt to deny us the right to respond to the call of sovereign and independent governments, like the Angolan, Ethiopian and others, while the North American forces maintain nearly half a million men in 445 military bases located outside of their territory, among them, Guantanamo--a portion of our fatherland occupied by Yanqui Marines against the will of the Cuban people and government.

The children who are present here today and the youths who today are 20 years of age know about that past through their parents. That fact alone abundantly atones for all the efforts, all the sacrifices, all the privations we experienced to end those injustices. Fidel is correct when he says that to shed so much blood to perpetuate capitalism would have been a crime. Let us look at what has been done right here within the sight of our eyes. Let us begin by pointing out the asphalt road we traveled to get here. Behind that mountain is a preuniversity school; to one side a new city with modern housing, a polyclinic and a hospital, various types of educational, cultural, sports and recreational centers has emerged to replace the old hamlet of Mayari Arriba, which was leveled by the tyranny's bombardments. The pioneer palace [applause], which was inaugurated yesterday, where the children from this valley and surrounding mountainous regions will be able to fully enjoy their childhood, cultivate their attitudes and develop their intelligence, is a symbol of the new life we are building. Looking at this palace, our certainty becomes even stronger that we will never see the children of the Second Front frightened and running for shelter during the air raids, or studying in the dark of night under the light of a candle to protect themselves from the bombardments, or dying without medical assistance before the age of 1 year, not knowing in what world they have lived.

If the children are the future of the world because they now how to love, our fatherland has the brightest future ahead. This one of today truly is the republic of all and for the well-being of all, for which Marti fought [applause], and not the one of daily living in death imposed on us by imperialism.

The work of the revolution is the most outstanding, everlasting and grandiose monument that our people can build to the memory of the heroes with their hard-working and steady hands. Both the material wealth and the scientific and technical development and the new social awareness which is developing and consolidating in the society we are building--filled with human values whose highest exponents are socialist patriotism, labor heroism and proletarian internationalism--are also part of that work. [applause] It is the tribute we pay to our beloved brothers, the largest number of whom died at a young age, hoping to have fulfilled their duty and whose glorious remains rest in this mausoleum. Here the relatives of the fallen pay respects to their parents, sons, brothers. At the same time, the mothers and relatives of other heroes and martyrs will always be accompanied by the devotion and love of the people. [applause]

The eternal flame of this mausoleum burns for all the combatants who fell heroically in this area throughout the historic process elapsed from Hatuey to Fidel. [applause] It burns for all the tombs scattered throughout mountains and valleys of the Second Front. It burns for the aborigines, for the fugitive slaves, for the Mambi soldiers, for the revolutionaries, for the patriots, for the anti-imperialists, for the communists, for all those who, knowingly or not, laid the foundation of our present with their blood and showed future generations how to follow their example. [applause]

We are sure that this mausoleum, like similar monuments throughout the country, will become the scene of a beautiful tradition of profound educational content. To this place will come the pioneers to be sworn in, the students to graduate, the new soldiers to take their oath, the new party and Union of Young Communists members to receive their identification. [applause] Recently married couples will come here to place a bouquet of flowers as an expression of gratitude to those who gave their lives for a fatherland where it would be possible to raise a family truly free and happy.

In that manner all of them will renew the commitment of loyalty to the heroes, of maintaining high and proud the flags of Yara, Baire, Baragua, Moncada, Granma and Giron, as they are here at the Second Front and throughout the country, alongside the Red flags of Marx, Engels and Lenin, the flags of socialism and internationalism. [applause]

On the 20th anniversary of the Second Eastern Front, we can say, as Marti said, "from the plot full of tombs the immortal virtue rises imponderably as the morning dew, airing the day soil, whipping the vile faces, moistening the air. It enters triumphantly in the hearts of the living. Death teaches lessons; death teaches the lesson of life. And in that manner, from those continued and invisible links, the soul of the fatherland is woven." [applause] As Marti did, we proclaim: Standing as if we were at the edge of a tomb, let us renew the oath of the heroes--fatherland or death, we shall win! [prolonged applause]

Pioneer Palace Dedicated

FL111915Y Havana Domestic Television Service in Spanish 1800 GMT 11 Mar 78 FL

[Excerpt] Another activity conducted on the occasion of the 20th anniversary of the creation of the Second Eastern Front was the dedication of the Frank Pais Palace of Pioneers. Vilma Espin, president of the Federation of Cuban Women and member of the PCC Central Committee, made a speech at the ceremony. Commander of the Revolution Juan Almeida Bosque and Jose Ramon Machado Ventura, both members of the PCC Politburo, attended the ceremony held at the Frank Pais Palace of Pioneers, which has a capacity for 500 children. Also present were members of the PCC Central Committee, officers of the Revolutionary Armed Forces, former combatants of column No 6 and the construction workers who built the palace.

ETHIOPIAN NEWS AGENCY, GRANMA DENOUNCE FOREIGN INTERVENTION

PA1101138Y Havana International Service in Spanish 0000 GMT 11 Mar 78 PA

[Text] The ETHIOPIAN NEWS AGENCY emphasizes in a commentary that the Eritrean situation continues to be tense because the separatist groups active in this province have the support of several NATO-member capitalist powers and Arab reactionary regimes. These foreign forces, the agency adds, are trying to wrest Eritrea from Ethiopia in order to create a pseudostate which would serve as a base for the installation of reactionary regimes in the Red Sea region that would serve imperialist interests.

After saying that the Ethiopian revolutionary government has constantly appealed for the peaceful solution of the Eritrean problem, it recalls that the Ethiopian people's army has intensively supported the workers and peasants in that province in the application of the program for socioeconomic changes implemented throughout the country. The news agency notes that the only obstacle preventing a solution to the Eritrean problem according to the interests of its people and all of Ethiopia is the brutal intervention of foreign reactionary forces in domestic matters of the Ethiopian revolution.

Meanwhile, GRANMA, official spokesman for the Cuban Communist Party, emphasizes in a four-column headline in its more recent edition that the aggressive Somali forces are retreating in disorder from the Ogaden combat fronts before the advance of the Ethiopian Army and popular militia. The successful advance of the Ethiopian forces, which are hastening the total liberation of the Ogaden region, allowed the resumption of railroad traffic between Addis Ababa and Djibouti.

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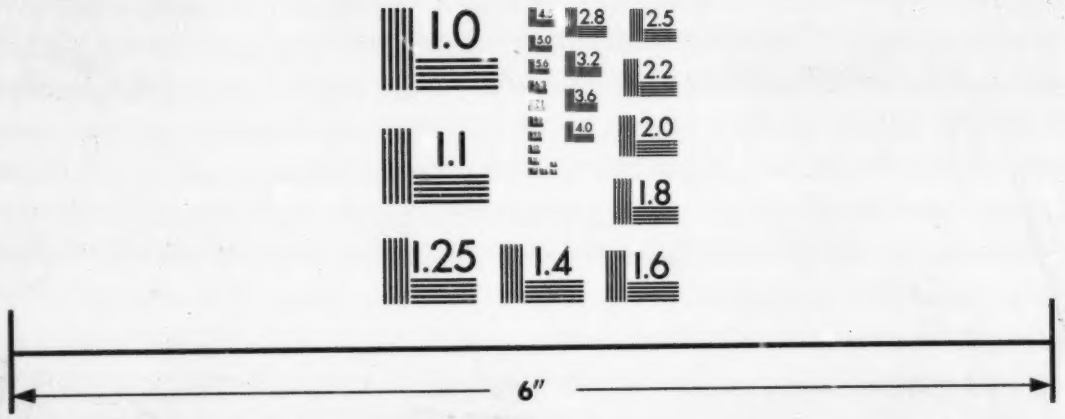

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